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ABSTRACT

The guidelines presented in this publication replace all guidelines previously issued by the Pennsylvania Department of Education for programs funded and consolidated under Chapter 2 of the Federal Education Consolidation and Improvement Act (ECIA) of 1981. These new guidelines provide the materials and information necessary for local educational agencies to be aware of their responsibilities under the ECIA. The three parts of this document cover the guidelines for applying for program funding, reporting on the expenditure of program funds, and evaluating the programs. Instructions for using the guidelines are provided. Extensive appendices include the texts of relevant legislation and of suggested guidelines promulgated by the U.S. Department of Education; the draft of a directory of programs consolidated under the ECIA; and copies of funding application forms, fiscal reporting forms, and program evaluation forms to be used by Pennsylvania school districts. (Author/PGD)

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# Pennsylvania Guidelines
# for
# The Education Consolidation
# and
# Improvement Act of 1981

## Chapter 2

### Public Law 97-35

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**Pennsylvania Department of Education**

# Education Consolidation and Improvement Act

## Chapter 2

Bureau of Planning, Research,
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Division of Planning and Dissemination
Pennsylvania Department of Education

ecia
Education
Consolidation and
Improvement Act
Chapter 2

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# INTRODUCTION

For purposes of Chapter 2 funds, this publication replaces all previous guidelines published by the Pennsylvania Department of Education for the antecedent programs which are now consolidated under Chapter 2 of the Education Consolidation and Improvement Act (ECIA) of 1981. The guidelines have been designed to provide the information and materials necessary for local educational agencies to be aware of their responsibilities under this law.

Chapter 2 funds are to be used in accordance with the educational needs and priorities as established by the local educational agencies to improve elementary and secondary education for students attending both public and private nonprofit schools. As provided by the law, allocations have been adjusted to provide higher per pupil allocations to local educational agencies which have the greatest numbers or percentages of children whose education imposes a higher than average cost per child.

The Pennsylvania Department of Education supports the educational policy as set forth in the ECIA legislation. Each local educational agency shall have complete discretion, subject only to the provisions of Chapter 2, in determining how funds which the agency receives under this chapter shall be divided among its stated purposes in accordance with the application submitted. In addition, the Department intends to administer the Chapter 2 funds in a manner which will eliminate unnecessary paperwork and reduce administrative burdens, while providing the local educational agencies with more autonomy in planning for educational services to meet local needs.

JoAnn Weinberger
Deputy Secretary for Policy Management

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Chapter 2

# PART 1

# PROGRAM APPLICATION GUIDELINES AND INSTRUCTIONS

# PROGRAM APPLICATION GUIDELINES AND INSTRUCTIONS

Statutory requirements for local educational agency (LEA) applications for funding under Chapter 2 of the Education Consolidation and Improvement Act of 1981 (ECIA) may be found in Section 566 of the Act and §298.7 of the proposed regulations (See Appendix A). Basically, an LEA may receive its allocation of funds under Chapter 2 for any year for which it has on file with the State educational agency an application which meets the requirements in Section 566 of the Act.

In Pennsylvania, an LEA is defined as a public school district administered by a chief school officer or an intermediate unit administered by an executive director. Upon recommendation of the State Advisory Committee for Chapter 2, services for the benefit of public school students that are provided with Chapter 2 funds distributed by formula will be provided by public school districts; and these services to private nonprofit school students will be provided by intermediate units.

With recognition of the potential cost-effectiveness and other benefits which derive from cooperative arrangements, the Pennsylvania block grant program allows for such arrangements. Two or more LEAs (school districts or intermediate units) may combine their Chapter 2 allocations, or a portion of them, to form a cooperative arrangement (Co-op). The administering unit of the Co-op *must* be an LEA. This LEA may or may not be a member of the Co-op. For each Co-op, a separate application must be submitted by the administering unit.

The format of the LEA/Co-op application is a preapproved contract form as approved by the Office of the Attorney General. The first two pages of the application contain the requisite language and signatures to constitute a legally-binding agreement, i.e., a contract between the Pennsylvania Department of Education and an LEA/Co-op.

The Act provides that a local application must set forth the planned allocation of funds among Subchapters A, B, and C of Chapter 2 and for the programs authorized by such subchapters which the LEA/Co-op intends to support, including the allocation of such funds required to implement Section 586. Each local educational agency shall have complete discretion, subject only to the provisions of Chapter 2, in determining how funds which the agency receives under this chapter shall be divided among its stated purposes in accordance with the application submitted.

The application must provide assurances of compliance with provisions of Chapter 2 relating to the programs authorized by this chapter, including the participation of children enrolled in private, nonprofit schools in accordance with Section 586. Among the assurances required, an LEA must agree to keep such records and provide such information to the State educational agency as reasonably may be required for fiscal audit and program evaluation, consistent with the responsibilities of the State agency under Chapter 2. Further, the LEA must agree that in the allocation of funds for programs authorized by Chapter 2, and in the design, planning, and implementation of such programs, the LEA will provide for systematic consultation with parents of children attending elementary and secondary schools in the area served by the local agency, with teachers and administrative personnel in such schools, and with other groups as may be deemed appropriate by the local educational agency.

A local application will have met the requirements in Section 566 of the Act when page two of the application is completed; i.e., when *all* required signatures evidence a legally executed contract. An LEA/Co-op is encouraged to consult with its solicitor before submitting an application.

## The Application - Pages 1 and 2

Instructions for the first two pages of the application are contained therein; i.e., complete only blanks marked X-. An application filed by a local educational agency under Chapter 2 shall be for a period not to exceed three fiscal years, may provide for the allocation of funds among programs and purposes authorized by this chapter for a period of three years, and may be amended annually as may be necessary to reflect changes without filing a new application.

The remaining blanks on the first two pages will be completed by the Department of Education. Unless an LEA/Co-op informs the Department to the contrary, the Department will assume that the application is for three years. Assuming the application is found to be in compliance, the dates for the contract period will be from July 1, 1982 or the recorded date of receipt of the application, whichever comes later, to June 30, 1985. The application has been designed so that amendments will be confined to Riders B and C.

## Rider A - Terms and Conditions

The required LEA/Co-op assurances are specifically stated in Rider A which constitutes pages 3 and 4 of the contract.

## Rider B - Allocation of Funds (DEBE-24)

Page 5 of the application is a general information page which has been designed to provide the Department of Education with the necessary data to administer the statewide ECIA Chapter 2 program as well as to enable the personnel of the Department to assist local district administrators and contact persons in the execution of programs in the LEAs.

The following numbered explanations coincide with the numbers in parentheses on pages 5, 6, and 7 of the application:

(1) A recipient of ECIA Chapter 2 funds must be an LEA or the administering unit of a Co-op. Check the appropriate block.

(2) Every LEA has an assigned Administrative Unit Number. This designation is vital for the purposes of identification of the LEA and computerization of all data submitted relative to the LEA. Be sure that this 9-digit number appears in the appropriate block in the upper right corner on each of the applicable pages in Rider B.

(3) The program number is a 9-digit number which is used primarily for the computerization of data relative to the LEA and for its identification with the source of funds and the distribution of those funds from the State to the local districts. This number will not be assigned until *after* the initial local application has been received in the Division of Planning and Dissemination. After processing is completed by the Department, an executed copy of the application will be returned to the LEA/Co-op. Upon receipt, be certain that this program number appears in the appropriate block in the upper right corner on each of the applicable pages of Rider B and where called for in Rider C. This program number must also be used where indicated on all fiscal and compliance forms submitted to the Department with respect to the contract identified by the same number on page one of the application.

(4) The application for funds under ECIA is for a period not to exceed three years. However, an amendment to the application must be filed each year to receive funding for programs for that particular fiscal year. The amendment will also reflect any changes in the programs to be selected and/or personnel involved as administrators or contact persons. To simplify the procedures for amendments, the same forms will be sent to each LEA each year. Each LEA/Co-op will check the first block for the initial year of funding. Each LEA/Co-op will receive the necessary forms for amending its application well in advance of the expiration of the first fiscal year. The second and third blocks should be checked for the appropriate year of funding.

(5) As previously stated in Item (1), an applicant for ECIA Chapter 2 funds must be an LEA. The applicant of record must be a school district, an intermediate unit, or an administering unit of a co-op.

(6) Use only the official mailing address of the applicant of record. Show street address, R.D. number, box number, or any other official designation that denotes the address at which the applicant is certain to receive all written communications.

(7) The city or town of the applicant should be shown as that of the official mailing address regardless of actual physical location of the applicant agency.

(8) The county shown should be that of the official mailing address of the applicant.

(9) Be certain to show the *U.S. Congressional* District and *not* the State Senatorial or Legislative District number. If a doubt exists as the result of redistricting conflicts or unresolved court actions, so indicate.

(10) Each LEA/Co-op applicant should designate one person as Administrator/Contact person to coordinate all communications flowing from the LEA/Co-op to the Department of Education and to receive written and telephone communications from the Department to the LEA/Co-op. Be sure to indicate both the name and title of the designated contact person.

(11) Each LEA/Co-op applicant providing services to private nonprofit school students should designate one person *within* the LEA/Co-op to coordinate all communications which pertain to the private nonprofit sector. It is possible that this person could be the same as designated in Item (10) above. Larger LEAs/Co-ops may choose to separate this responsibility. Be sure to show both name and title of the designee.

## SECTION I: AUTHORIZED PROGRAMS

Page 6 of the application has been designed primarily for the selection of programs to be supported with funds requested by this application. Funds received by the LEA/Co-op may be used to support one or more of the programs as listed in one or more of the three subchapters. The selections shown represent the intent and purposes of all 28 antecedent programs which have been consolidated into ECIA Chapter 2.

A brief abstract of the purposes and activities of each of the antecedent programs and the former authorizing legislation prior to consolidation is contained in the publication entitled "Elementary and Secondary Education Programs Under Education Consolidation and Improvement Act, Chapter 2: Purposes and Activities" (See Appendix B). For additional information concerning the programs, subchapters and requirements for each, consult the reprint of Chapter 2 which is included in Appendix A:

Subchapter A: Basic Skills Development, Sections 571 and 573

Subchapter B: Educational Improvement and Support Services, Sections 576 and 577

Subchapter C: Special Projects: Sections 581 and 582

## SECTION II: ALLOCATION OF FUNDS

Page 7 of the application is for the purpose of indicating and summarizing the allocation of funds and the planned expenditures for the program/s selected for support on the previous page of the application.

(1) Be certain to indicate the Administrative Unit Number as it appears on the two previous pages of the application. It is important that this 9-digit number appear on each page in the event that the pages should accidentally become separated during the processing stage.

(2) The program number is equally important as previously explained and is vital to the Comptroller's Office for computerization, identification of LEA, and the distribution of funds.

(3) It must be remembered that funds allocated for services to private nonprofit school students will under *no* circumstance pass directly to a private nonprofit school. The funds are to be administered by the public LEA (school district or intermediate unit) and be used for the purpose of providing *services* to the private nonprofit school students. By the same token, those funds designated for use within the LEA (school district or intermediate unit) are to be used *only* for the *benefit of children* enrolled at schools within that LEA/Co-op.

(4) If program/s to be supported are selected under Subchapter A, Basic Skills Development, show the amount in dollars of the expenditures planned for the *benefit of children* in public schools, the providing of *services* for the *benefit of children* in private schools, and the total dollar amount for either or both. Show a vertical subtotal for each column.

(5) Under Subchapter B, Educational Improvement and Support Services, each program selected for support by this application under the terms of this subchapter should be indicated in one or more of the blanks shown under Subchapter B. Again, indicate a horizontal total as well as a vertical subtotal for the programs selected.

(6) If one or more special projects are selected for support under Subchapter C, use one blank line only for each program selected and indicate the planned expenditures for the benefit of public school children or services for the benefit of private school children in the appropriate space. Draw horizontal and vertical totals.

(7) Indicate a total for planned expenditures for public school children, a total for services to private school children, and a total for all expenditures. The final total in the bottom right block should equal the total funds requested by the LEA/Co-op for expenditures under this contract for the current fiscal year.

## SECTION III: COOPERATIVE PARTICIPATION CERTIFICATION FOR ECIA CHAPTER 2

Pages 8 and 9 of Rider B apply only if the application is submitted by a Co-op. Sufficient instructions are contained therein. An LEA should note that if all or a portion of its allocation is to be administered by a Co-op, the amount of its allocation as indicated on page eight will go directly to the Co-op administering unit as the legally responsible applicant of record.

## Rider C - Budget Summary

While the original Budget Summary (DEBE-24A) and the Proposed Equipment Purchase Form (DEBE-24B) constitute Rider C of the application, these multipurpose forms are also used for revisions and carry-over funds. For this reason, guidelines and instructions for the use of these forms are contained in PART II of this publication.

## Instructions for Submission

For the initial year of application, an LEA/Co-op must submit an original and one copy of the complete application, with a second copy of Riders B and C.

For annual amendments thereafter, an LEA/Co-op must submit an original and two copies of Riders B and C.

Applications/amendments should be mailed or delivered to:

The Division of Planning and Dissemination
Pennsylvania Department of Education
333 Market Street
P. O. Box 911
Harrisburg, PA 17108

An LEA may request technical assistance by calling the Division of Planning and Dissemination at (717)787-7372 or by contacting its field representative for school improvement.

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Chapter 2

# PART 2

# FISCAL GUIDELINES AND INSTRUCTIONS

# FISCAL GUIDELINES AND INSTRUCTIONS

Authority for the issuance of fiscal guidelines for Chapter 2 may be found in P.L. 97-35, Section 566(a) of the Education Consolidation and Improvement Act of 1981. The fiscal guidelines are issued by the Office of Policy Management, Bureau of Planning, Research, Evaluation and Dissemination, Division of Planning and Dissemination and by the Comptroller's Office. When final regulations for Chapter 2 are published in the Federal Register, it may be necessary to amend or expand these guidelines.

## Use of Chapter 2 Funds

As the U.S. Department of Education interprets Chapter 2, there must be a direct relationship between the costs incurred for a Chapter 2 project and the authorized purposes of that project. Authorized purposes for Chapter 2 programs are set forth in Sections 571-582 of Chapter 2 and §298.10 of the proposed regulations (See Appendix A). These purposes are described in greater detail in "Elementary and Secondary Education Programs Under Education Consolidation and Improvement Act, Chapter 2: Purposes and Activities" (See Appendix B).

Within this framework, LEAs have considerable flexibility in determining what costs are allowable under Chapter 2. The U.S. Department of Education has provided additional nonregulatory guidance on allowable expenditures (See Appendix A).

LEAs are encouraged to consult with their solicitors in exercising the local autonomy that is granted to them under Chapter 2, and in fulfilling the concomitant fiscal requirements that necessarily accompany such autonomy.

## Fiscal Requirements

### MAINTENANCE OF EFFORT

The basic standard requires that either the combined fiscal effort per student or the aggregate expenditures within the State with respect to the provision of free public education for the preceding fiscal year was not less than 90 percent of the combined fiscal effort per student or aggregate expenditures for the second preceding fiscal year. Since necessary data for determining the State's compliance with the maintenance of effort requirement are collected annually from LEAs on the Annual Financial Report (DECO-500), no additional reports are needed for this requirement.

### SUPPLEMENT, NOT SUPPLANT

Requirements for compliance are set forth in Section 585(b) of Chapter 2 and §298.13 of the proposed regulations. Nonregulatory guidance is also provided by the U.S. Department of Education (See Appendix A).

## AVAILABILITY OF FUNDS

An LEA/Co-op may obligate funds during the fiscal year for which the funds were appropriated and during the succeeding fiscal year, *except that no funds may be obligated by an LEA prior to the date on which that LEA's application (or annual amendment as applicable) is received in the Division of Planning and Dissemination.* Receipt of an LEA's submission will be promptly acknowledged with date of receipt recorded. If the application/amendment is found to be in compliance, a fully executed copy of the application will be returned to the LEA/Co-op for its records, and Chapter 2 expenditures incurred by the LEA/Co-op as of July 1 or the recorded date of receipt, whichever comes later, will be allowable.

### Procedures for Carry-Over

Chapter 2 program funds must be kept separate for budgeting, reporting and accounting purposes for each fiscal year of the contract period. Final date for obligation of funds is June 30 of each year.

If *unobligated* funds remain on July 1, 1983, a carry-over budget for the total program must be submitted by July 31, 1983. Specify the amount of carry-over funds in the remarks section. These carry-over funds may then be obligated until June 30, 1984. The same procedure applies for each year of the contract period.

### Budget Forms

Copies of DEBE-24A and DEBE-24B may be referenced in Appendix C: The Local Educational Agency Application. These two forms constitute Rider C of the application.

## BUDGET SUMMARY

DEBE-24A - Proposed expenditures should be delegated to the proper category. Consult the Manual of Accounting and Related Financial Procedures for Pennsylvania School Systems for descriptions of category codes.

## BUDGET BREAKDOWN

See sample on reverse of DEBE-24A. An application will not be in compliance unless each entry on the budget summary is substantiated in the budget breakdown. Each proposed expenditure must be listed under the appropriate subchapter. A budget breakdown need not be submitted with revised budgets; however, all changes must be explained in the remarks section.

Examples of explanations in the "Expenditure Account" column follow:

### 0100 Administration

0159 Audit

### 0200 Salaries

| | |
|---|---|
| 0212 | 2 Aides @ $5,200 |
| 0212 | 1 Aide, 100 hours at $4.00/hr. |

### 0221-0222-0223-0224 Textbooks, Supplies, Materials

| | |
|---|---|
| 0221 | Textbooks, 85 reading books @ $10.00 |
| 0224 | Tapes, 25 science tapes @ $12.00 |

### 0231 Inservice Education

| | |
|---|---|
| 0231 | Lodging and Meals<br>10 people, 2 days at $40/day |

### 0225-0229-0239-0250 All Other Costs of Instruction

| | |
|---|---|
| 0225 | Multimedia kits, 100 @ $12.00 |
| 0229 | Office supplies, $50.00 |
| 0239 | Travel and related expenses, 2 persons @ $150.00 |
| 0250 | Contracted Instruction, Consultant, 2 days @ $150.00 |

### 0800 Fixed Charges

| | |
|---|---|
| 0831 | Retirement, $10,400; .080 rate |
| 0832 | Social Security, $10,400; .0670 rate |
| 0833 | Workmen's Compensation (Rate varies) |
| 0838 | Rental (Duplicator, 10 months at $250/month |

### 1200 Capital Outlay

| | |
|---|---|
| 1242 | Minor remodeling (Submit brief explanation) |
| 1243 and 1244 | List total amount and attach Proposed Equipment Purchase Form - DEBE-24B |

## PROPOSED EQUIPMENT PURCHASE FORM

DEBE-24B - The budget breakdown for instructional and noninstructional equipment should be referenced to the DEBE-24B where a detailed listing must be provided.

## BUDGET REVISIONS

DEBE-24A - Budget revisions may be submitted until the final date for obligation of funds. A budget revision is necessary if any of the following conditions occur:

1. There is an increase or decrease in the total budget.

2. The expenditures in a *major* category will exceed the amount shown in the last submitted budget by 20 percent or more.

3. There will be expenditures in a category where there had not been funds budgeted previously.

4. There is an increase in the amount needed for capital outlay, in which case a revised Proposed Equipment Purchase Form (DEBE-24B) is also required.

Explain all changes in the remarks section.

## Fiscal Reporting Forms

In cooperation with the Comptroller's Office, the Division of Planning and Dissemination has revised the fiscal reporting forms as of 5/82 so that these may be used for a number of different programs. Copies of these forms may be referenced in Appendix D. Note that a separate form must be used for each program, as applicable. For Chapter 2 purposes, *all* fiscal reporting forms must be signed by the chief school officer/executive director of the LEA or Co-op administering unit.

### RECONCILIATION OF CASH ON HAND

DEBE-105 - This report is due quarterly by the 10th calendar day of October, January, April and July (as applicable). Please follow instructions on the reverse of the form.

### PRELIMINARY COMPLETION REPORT

DEBE-86 - Submission of this report will release any of the 10 percent withholding due the LEA. If there is no carry-over of funds from the initial year, a preliminary completion report must be submitted by July 10, 1983. If there is carry-over of these funds, a carry-over budget for the total program will have been submitted by July 31, 1983; and this form must be submitted within 10 days after the carry-over funds have been obligated. The same procedure applies for each year of the contract period.

### FINAL COMPLETION REPORT

DEBE-86B - For funds distributed by formula in the initial year (1982-83), an audited final completion report must be submitted as soon as possible after payment of all obligations from these funds. If there is no carry-over, this report must be submitted no later than September 30, 1983. If there is carry-over, this report must be submitted within 90 days after termination of the carry-over program and no later than September 30, 1984. The same procedure applies for each year of the contract period.

### FINAL EXPENDITURE RECORD AND REPORT

DEBE-61 - For each subchapter under which expenditures were made, one copy of this report must accompany the final completion report. This is a chronological record of expenditures of the program. The propriety of expenditures is based on the date of obligation.

## Antecedent Programs

With the exception of the Follow Through program, both the statutory and regulatory requirements governing the categorical programs that were consolidated into Chapter 2 are repealed as of October 1, 1982. For any funds from the antecedent categorical programs that an LEA has obligated prior to July 1, 1982, the LEA must continue to adhere to the statutory and regulatory requirements in effect at the time the grants were made. However, an LEA *must* expend and use any funds from the antecedent programs that remain unobligated as of July 1, 1982, in accordance with Chapter 2. (See Appendix A - Nonregulatory Guidance, Closeout Activities.) Thus, with regard to any unobligated funds from the antecedent programs, the statutory and regulatory requirements of the antecedent programs end for LEAs on July 1, 1982. The following procedures must be followed:

1. A preliminary completion report for *each* antecedent program administered by the Pennsylvania Department of Education must be filed by July 10, 1982, using the antecedent program forms. *Return no funds with this report.*

2. For funds that were appropriated in an appropriation act for federal FY 1981 (Commonwealth FY 1981-82) and that are *unobligated as of July 1, 1982,* an original Budget Summary and Proposed Equipment Purchase Form for these funds must be submitted by July 31, 1982, using the revised DEBE-24A and DEBE-24B (5/82). Since fiscal audit procedures do not permit commingling of funds from different fiscal years, the antecedent program number must be used on all budget and fiscal reports. These funds may then be obligated until September 30, 1983. If not submitted earlier, a preliminary completion report on the carry-over budget must be submitted by October 10, 1983. An audited final completion report must be submitted by December 31, 1983. If the original carry-over budget was $2,000 or less, certification of the report by an independent auditor is not required. The completion reports must be submitted on the appropriate Chapter 2 fiscal forms.

3. For funds that were *obligated prior to July 1, 1982,* an audited final completion report must be submitted by September 30, 1982. This completion report must be submitted on the appropriate antecedent program fiscal forms.

Additional assistance may be obtained by calling the Division of Planning and Dissemination at (717)787-7372 or Comptroller's Office at (717)783-9072.

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# PART 3

# PROGRAM EVALUATION GUIDELINES AND INSTRUCTIONS

# PROGRAM EVALUATION GUIDELINES AND INSTRUCTIONS

Authority for the issuance of program evaluation guidelines for Chapter 2 may be found in P.L. 97-35, Section 566(a) of the Education Consolidation and Improvement Act of 1981. The program evaluation guidelines are issued by the Office of Policy Management, Bureau of Planning, Research, Evaluation and Dissemination, Division of Research and Evaluation. The intent of the evaluation is simplicity and efficiency; hence, only two forms are necessary. Copies of the forms may be referenced in Appendix E: Program Evaluation Forms. When final regulations are published in the Federal Register, it may be necessary to amend or expand these guidelines.

PURPOSE OF EVALUATION: The first purpose of the Chapter 2 evaluation is obtaining a description of programs provided, populations served, staff involvement and priorities established by local educational agencies using ECIA Chapter 2 funds across the Commonwealth of Pennsylvania. The second purpose is the collection of data of interest to Congress and federal decision-makers. Judgments about the importance of continuing support for ECIA will ultimately depend on the care that is taken now to collect precise, valid data on the impact of block grant funds as they are channeled into specific programs. Such evidence is crucial when renewal of the ECIA is considered.

DEFINITIONS: A block grant *program* represents a general focus of attention. Programs are listed on the Program Participation and Cost form (Reading, Mathematics, Metric Education, etc.). A *project* operates within block grant programs with a unique set of objectives, activities, staff and planned outcomes. Any number of projects may be supported by block grant funds. For instance, a school district may use all block grant funds received for a reading program; however, within the reading program there may exist several individual projects.

REQUIRED SUBMISSION: Each public school district, intermediate unit and co-op receiving Chapter 2 block grant funds is required to submit the Program Participation and Cost form. Only one Part I form per LEA or Co-op is required. For each project, as listed in column (A), an LEA/Co-op is required to submit one Part II - Project Evaluation Data form. Attach all Part II forms to the Program Participation and Cost form.

DATE OF SUBMISSION: Part I and Part II forms are to be completed annually and submitted to the Pennsylvania Department of Education by September 30 for Block Grant Programs operated between the previous July 1 to June 30. The Block Grant Program evaluation follows the fiscal year of the Commonwealth of Pennsylvania.

SPECIFIC INSTRUCTIONS:

## Part I - Program Participation and Cost (DEBE-24C)

Top of Form: Check type of block grant recipient and whether programs serve public or private nonprofit school students. Enter the name of the LEA or administering unit of a Co-op and the name of the Chapter 2 administrator completing the form.

Codes - The first column presents a code for each eligible program (A1, A2, A3, B1, etc.). This code will be used in Part II.

Eligible Programs - A complete listing of eligible programs by Chapter 2 subchapters is presented.

Column (A) - Fill in the number of individual projects for each eligible program. The sum of column (A) equals the number of Project Evaluation Data forms to be attached.

Column (B): Number of Schools - Fill in the total number of schools participating in all projects listed in column (A).

Columns (C) and (D): Program Cost - Divide the project costs into ECIA funds used (C) and non-ECIA funds used (D). All project costs (direct and indirect) not paid by ECIA funds should be reported. This permits the Department of Education to report how much project money was generated by block grant funds. Use only whole dollar amounts ($30,503, *not* $34,502.95).

Columns (E) and (F): Number of Students Served - Report the number of preschool and elementary students served by block grant projects in column (E). The number of secondary students served is entered in column (F). No students counted in columns (G), (H) and (I) should be included in the column (E) or (F) student counts. Students simultaneously served by more than one project should be included in *each* project count. Define the terms "elementary" and "secondary" as they are defined in the school district.

Columns (G), (H) and (I): Special Students Served - Enter the number of handicapped, disadvantaged, and gifted and talented students, respectively, directly served by each program. Special students simultaneously served by more than one project should be included in *each* project count. Definitions of handicapped, disadvantaged and gifted students are left to the local agency.

Column (J): Teacher Participation - Fill in numbers of teachers directly involved with block grant projects. Teachers involved simultaneously with more than one project should be included in *each* project count.

Column (K): Administrative Participation - Report the number of administrative staff directly involved with the project.

Column (L): Staff paid by ECIA funds - Report the *number* of project staff directly paid for their services with ECIA funds. Include all part-time employees, full-time employees, paid directors and contracted personnel. Do not include substitute teachers hired to allow school staff to attend to project activities.

Column (M): Community Participation - Report the number of parents and other community members actively involved in block grant projects. Include community group members, parent-teacher members, volunteers, advisory group members, etc.

## Part II - Project Evaluation Data (DEBE-24C)

One Project Evaluation Data form is submitted for each project funded with ECIA Chapter 2 funds. Attach these forms to the Program Participation and Cost form and submit to the Pennsylvania Department of Education annually by September 30. The total number of projects reported, column (A), equals the number of Project Evaluation Data sheets to be attached. Please enter the name of the LEA or the administering unit of a Co-op in the space provided at the top of the page.

Questions 1 and 2 - Enter the name of the project, the LEA/Co-op Chapter 2 administrator and telephone number of the Chapter 2 administrator.

Question 3 - Circle the number before the organization which *operated* the project. The operating agency is that group which provided project staff to supervise the day-to-day operation of the project, irrespective of the funding source.

Question 4 - The program codes are found in the first column of the Program Participation and Cost form. Each code (A1, A2, A3, B1, etc.) refers to a program category eligible for Chapter 2 funds.

Only one code per sheet should be circled unless a single project combines a number of eligible program categories. Hence, only if D is circled will there be a multiple response. If D is circled, circle all program codes which were combined into the single project being reported and answer all questions indicated for each set of codes. For example, if B2 is circled, only questions 1, 2, 3, 4, 9 and 10 need to be answered.

Question 5 - *Briefly* list up to four main objectives of this project listing the most important objective first. Report project activities to accomplish objectives in the second column. Use phrases, if possible. Example:

| Objectives | Activities |
|---|---|
| 1. Increase reading achievement. | 1. Increased reading instruction time. |
| 2. Improve student attitudes toward reading. | 2. Increased free time for reading; classroom reading corner established. |
| 3. Increase parent participation in reading instruction. | 3. Additional parent-teacher conferences; materials prepared and distributed to parents. |

Question 6 - List up to three major outcomes of project participation. List the most important outcome first. To the right of each outcome write the source of evidence which supports the outcome statement and when possible, quantitative indicators of success. Major outcomes need not reflect initial objectives. Use phrases wherever possible. Example:

| | Outcomes | Source of Evidence | Indicator of Success |
|---|---|---|---|
| 1. | Better reading achievement. | Iowa Tests of Basic Skills. | Gain of 12 percentiles. |
| 2. | Increased parent support. | Locally developed questionnaire. | Post test results revealed 65% of parents helped with homework. Pretest was 32%. |
| 3. | Additional in-service training for reading teachers. | Thirty-six percent more in-service time than last year for reading. | Participant evaluation. Ninety-five percent of teachers expressed satisfaction with workshops. |

Question 7 - Respond to Question 7 only if code A1, A2, A3 is circled in Question 4. List each school building participating in the basic skills program, the basic skills assessments used and the location of student records for that building.

Question 8 - Answer only if B1 is circled in Question 4. List only general categories of instructional materials purchased with Chapter 2 funds. Examples:

Computer software
Library books
Textbooks
Workbooks

Question 9 - Answer only if B2 is circled in Question 4. List the general categories of instructional equipment purchased with Chapter 2 funds. Examples:

Video recorders
Film projectors
Cassette recorders
Microcomputers

Question 10 - The Pennsylvania Department of Education is required by law to conduct an annual evaluation of the block grant program. Such an evaluation requires data not included on this form. As indicated, project directors are needed to volunteer for a 20-30 minute telephone interview concerning specific projects and block grant programs in general. Volunteers for on-site visits and interviews are also needed. On-site visits are for the purpose of data collection, not project evaluations. Projects which maintain evaluation data bases are also asked to share these data with the Department of Education.

ecia Education Consolidation and Improvement Act Chapter 2

# APPENDIX A

## Nonregulatory Guidance for State and Local Educational Agencies Implementing Chapter 2 of the Education Consolidation and Improvement Act of 1981 (Abridged Draft)

## The Education Consolidation and Improvement Act of 1981 , Chapters 2 and 3

## Proposed Regulations , Chapter 2 (2/12/82)

CHAPTER 2

# NONREGULATORY GUIDANCE FOR STATE AND LOCAL EDUCATIONAL AGENCIES IMPLEMENTING CHAPTER 2 OF THE EDUCATION CONSOLIDATION AND IMPROVEMENT ACT OF 1981

# ABRIDGED DRAFT

The nonregulatory guidance in this document is issued under the authority in Section 591(b) of the Education Consolidation and Improvement Act of 1981 (ECIA). When finalized, this guidance will be binding on the U.S. Department of Education. It will not be binding, however, on State and local educational agencies and will not foreclose the development of alternative approaches that may be more in keeping with local needs and circumstances and that also meet the statutory requirements. Rather, State and local officials are free to develop -- indeed are encouraged to develop -- alternative approaches.

Office of Elementary and Secondary Education
U.S. Department of Education
March 28, 1982

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# NONREGULATORY GUIDANCE FOR STATE AND LOCAL EDUCATIONAL AGENCIES IMPLEMENTING CHAPTER 2 OF THE EDUCATION CONSOLIDATION AND IMPROVEMENT ACT OF 1981

## LOCAL APPLICATIONS

### Statutory Requirement

See Section 566 of Chapter 2.

### Regulatory Requirement

See §298.7 of the proposed regulations.

### Questions and Answers

1. What is the function of the SEA with respect to local applications?

   The SEA checks to ensure that each LEA's application meets the statutory requirements in Section 566 of Chapter 2. If the application meets those requirements, the SEA files the application and distributes to the LEAs their allocations of Chapter 2 funds.

2. In its Chapter 2 application, must an LEA indicate the amount of funds it intends to allocate to various Chapter 2 activities?

   Section 566(a)(1) of Chapter 2 requires an LEA that desires to receive a grant under Chapter 2 to file an application which "sets forth the planned allocation of funds among Subchapters A, B, and C of [Chapter 2] and for the programs authorized by such subchapters which it intends to support, including the allocation of such funds required to implement section 586." (emphasis added)

3. How may an LEA meet the applicable requirements in Section 436 of GEPA with respect to its Chapter 2 application?

   See the preamble of the proposed regulations.

4. Should an LEA's Chapter 2 application contain any provisions regarding the use of "carryover funds" that remain unobligated from the 1981 appropriation?

   No, not necessarily. SEAs may wish LEAs to indicate in their Chapter 2 applications how their carryover funds will be used.

See Section 514(b)(2)(B) of the Omnibus Education Reconciliation Act of 1981 and the preamble of the proposed regulations.

5. Must LEAs consult with parents, teachers, and administrative personnel in developing their Chapter 2 applications?

   Yes. See Section 566(a)(4) of Chapter 2.

## ALLOCATION OF CHAPTER 2 FUNDS TO LOCAL EDUCATIONAL AGENCIES

### Statutory Requirement

See Section 565 of Chapter 2.

### Regulatory Requirement

See §298.8 of the proposed regulations.

### Questions and Answers

6. Does an LEA receive Chapter 2 funds based on the number of children residing in the LEA or the number enrolled in schools within the LEA?

   As indicated in Section 565(a) of Chapter 2 and §298.8(b) of the proposed regulations, an LEA receives Chapter 2 funds according to the relative number of children enrolled in public and nonpublic elementary and secondary schools within the LEA.

7. In distributing Chapter 2 funds to LEAs, must an SEA count all children enrolled in nonpublic schools even though not all of those children are participating in Chapter 2 programs?

   Yes. Section 565(a) of Chapter 2 and §298.8(b) of the proposed regulations require the distribution of Chapter 2 funds to an LEA according to the relative enrollments in public and nonpublic schools within the LEA. This section makes no distinction between children who are participating and those who are not participating in Chapter 2 programs. Rather, the critical factor for purposes of distributing Chapter 2 funds to LEAs is whether the children are attending a nonpublic educational institution that is considered an elementary or secondary school according to State law.

8. What are children whose education imposes a higher than average cost per child ("high-cost" children)?

   Section 565(a) of Chapter 2 and §298.8(b) of the proposed regulations require an SEA to adjust its formula to provide higher per pupil allocations to LEAs that have the greatest numbers or percentages of children whose education imposes a higher than average cost per child. Section 565(a) lists three examples of the categories of children that Congress regarded as "high-cost" children. Using these examples as guidance, each SEA has substantial freedom to identify which categories of children it will designate as "high-cost" children. These examples of "high-cost" children are not exclusive, however. Therefore, an SEA may establish criteria, subject to the Secretary's approval, that include other "high-cost" children such as handicapped children or children of limited English-speaking proficiency.

9. Must an SEA adjust its formula to provide higher per pupil allocations to LEAs with the greatest numbers or percentages of "high-cost" children?

   Yes. See §298.8(c) of the proposed regulations. Because this adjustment is a Chapter 2 requirement, an SEA in a State with a State equalization formula that takes into consideration "high-cost" children must still adjust its Chapter 2 formula. SEAs, however, have considerable flexibility in how they make this adjustment.

10. If an LEA does not apply for Chapter 2 funds, may its funds be distributed to other LEAs?

    After the SEA makes the necessary arrangements for the provision of Chapter 2 services to children enrolled in eligible private schools, the SEA may, in accordance with §298.9 of the proposed regulations, distribute the balance of that LEA's Chapter 2 allocation to other LEAs in the State.

## USE OF CHAPTER 2 FUNDS

### Statutory Requirement

See Sections 571-582 of Chapter 2.

### Regulatory Requirement

See §298.10 of the proposed regulations.

### Questions and Answers

11. May an SEA or a State legislature establish -- through the budget approval process, legislation, or other means -- binding requirements on an LEA with respect to the division of funds received under Section 565(a) among the purposes of Chapter 2 as set forth in Subchapters A, B, and C?

No. See Section 566(c) of Chapter 2; §298.3(b) of the proposed regulations.

12. Is there any guidance that SEAs and LEAs may use to determine what expenditures are allowable?

As the Secretary interprets Chapter 2, there must be a direct relationship between the costs incurred for a Chapter 2 project and the authorized purposes of that project. Within this framework, SEAs and LEAs have considerable flexibility in determining what costs are allowable under Chapter 2. In the past, the cost principles set forth in Appendix C to 34 CFR Part 74 have governed SEAs and LEAs in determining allowable costs. As indicated in the preamble of the proposed regulations, adherence to the principles in 34 CFR Part 74 is not required for Chapter 2. Instead, SEAs and LEAs may apply equivalent standards of their own. SEAs and LEAs continuing to follow the cost principles in 34 CFR Part 74, however, will be considered to be in compliance.

13. May Chapter 2 funds be used to hire personnel?

Yes, provided those personnel are hired to carry out activities authorized under Chapter 2 and State practices permit such use of Chapter 2 funds.

14. May Chapter 2 funds be used to pay the direct administrative costs incurred in operating Chapter 2 projects?

Yes. See the preamble of the proposed regulations.

15. May SEAs and LEAs continue to charge an indirect cost rate for Chapter 2?

Yes. See the preamble of the proposed regulations.

16. May Chapter 1 administrative funds be used to administer Chapter 2 projects?

No. Chapter 1 is designed to provide federal financial assistance to SEAs and LEAs to meet the special educational needs of educationally deprived children. Accordingly, the administrative funds earmarked for that purpose may not be used to administer the broader purposes of Chapter 2.

17. May Chapter 2 funds be used to administer Chapter 1 projects?

According to Title V of the Elementary and Secondary Education Act of 1965, funds received under Title V could be used to administer Title I of that act. Section 576 of Chapter 2 permits SEAs and LEAs to carry out those activities that they may select from the full range of programs and projects formerly authorized under Title V, among others. Therefore, Chapter 2 funds may be used to administer Chapter I projects.

18. Must an LEA expend Chapter 2 funds for programs authorized in each subchapter of Chapter 2 or can it concentrate its efforts on programs authorized under just one subchapter?

LEAs may use Chapter 2 funds for programs authorized in any or all of the subchapters in Chapter 2. See the preamble of the proposed regulations.

19. Must an LEA spend the additional funds generated by "high-cost" children on services to benefit those children?

No. There is no requirement in Section 565(a) of Chapter 2 or §298.8(b) of the proposed regulations that the additional funds generated by "high-cost" children be spent specifically on services to benefit those children.

## Use of funds under Subchapter A - Basic Skills Development

20. Does the reference to "planning for the utilization of funds it allocates for this Chapter" in Section 573(a) mean that an LEA must comply with the detailed requirements contained in that section for all Chapter 2 programs it operates, even if those programs are under Subchapters B or C rather than A?

As the Secretary interprets the requirements for planning in Section 573(a) of Chapter 2, those requirements apply only to planning the school level programs that the LEA desires to operate under Subchapter A of Chapter 2.

## Use of funds under Subchapter B - Educational Improvement and Support Services

21. If an SEA or LEA chooses to spend Chapter 2 funds for educational improvement and support services, must 15 percent of those funds be utilized for programs for the handicapped?

No. Unlike Title IV-C of the Elementary and Secondary Education Act of 1965, Chapter 2 contains no requirement that 15 percent of any Chapter 2 funds spent for educational improvement and support services under Subchapter B must be used for programs to benefit handicapped children.

## Miscellaneous questions on use of funds

22. The previous categorical programs provided significant opportunities for participation by institutions of higher education. Is there a role for those institutions in programs under Chapter 2?

Yes. Several sections provide opportunities for participation in Chapter 2 programs by institutions of higher education. For example, Section 564(a)(2) of Chapter 2 requires representation of institutions of higher education on the State Advisory Committee. Likewise, Subchapters A - Basic Skills Development, B - Educational Improvement and Support Services, and C - Special Projects authorize SEAs and LEAs to carry out the full range of programs authorized under Chapter 2 either directly or through grants and contracts with LEAs, institutions of higher education, and other public and private agencies, organizations, and institutions. In addition, Section 583 of Chapter 2 authorizes the Secretary to carry out certain programs directly or through grants to or contracts with SEAs, LEAs, institutions of higher education, and other public and private agencies, organizations, and institutions.

23. Does Chapter 2 contain any provisions to ensure continuity of equity programs like the Emergency School Aid Act, Ethnic Heritage, etc.?

The major purpose of Chapter 2 is to consolidate at the Federal level many categorical grant programs and to transfer the decision-making authority regarding which programs are funded to SEAs and LEAs. As stated in Section 561(a) of Chapter 2, Chapter 2 funds may be used in accordance with the educational needs and priorities of SEAs and LEAs as determined by those agencies. Therefore, Chapter 2 permits, but does not require, SEAs or LEAs to continue any particular categorical grant programs now authorized by Chapter 2. Rather, SEAs and LEAs are free to choose those programs they will operate with Chapter 2 funds.

## USE OF "CARRYOVER FUNDS" NOT OBLIGATED AS OF JULY 1, 1982

### Statutory Requirement

See Section 514(b)(2)(B) of the Omnibus Education Reconciliation Act of 1981.

### Questions and Answers

24. What happens to funds appropriated for Fiscal Year 1981 for categorical programs now in Chapter 2 that have not been obligated by an SEA or LEA as of July 1, 1982?

See Section 514(b)(2)(B) of the Omnibus Education Reconciliation Act of 1981 and the preamble of the proposed regulations. In implementing Section 514(b)(2)(B), SEAs and LEAs do not have to alter their activities, because all of the activities authorized under the antecedent programs are also authorized under Chapter 2. However, the section does require SEAs and LEAs to expend and use those funds in accordance with the more flexible requirements of Chapter 2.

25. May SEAs and LEAs use carryover funds for purposes that differ from the purposes for which the funds were awarded?

Yes. In accordance with Section 514(b)(2)(B), an SEA or LEA may use carry-over funds for any purposes authorized under Chapter 2 even though such purposes may be different from the purposes for which the funds were originally awarded.

26. What happens to unobligated funds provided to agencies and institutions other than SEAs and LEAs?

See the preamble of the proposed regulations.

27. When are carryover funds "obligated" for purposes of Section 514(b)(2)(B)?

Section 514(b)(2)(B) of the Omnibus Education Reconciliation Act of 1981 relates to funds from the 1981 appropriation for the antecedent categorical programs that have not been obligated by SEAs or LEAs as of July 1, 1982. As the Secretary interprets Section 514(b)(2)(B), funds are obligated by an SEA or LEA according to the definition of when obligations are made contained in 34 CFR §§75.707 and 76.707.

The Secretary relies on the definitions of when obligations are made contained in §§75.707 and 76.707 because these regulations apply to the antecedent programs prior to July 1, 1982. They do not apply, however, to Chapter 2 programs. Rather, as indicated in §298.14 of the proposed regulations, the time at which funds are considered to be obligated may be determined according to standards commonly used in the State in which the SEA or LEA is located.

28. If an SEA awards an LEA a grant prior to July 1, 1982, are those funds considered to have been finally obligated by the SEA or could some or all of those funds remain unobligated by the LEA as of July 1?

For purposes of Section 514(b)(2)(B), an SEA's awarding of funds to an LEA is not the final obligation of those funds. Rather, because they are funds that were originally intended for the LEA's use, they are not considered to have been finally obligated until the LEA makes an obligation according to the standards contained in 34 CFR §§75.707 and 76.707.

## MAINTENANCE OF EFFORT

### Statutory Requirement

See Section 585(a) of Chapter 2.

### Regulatory Requirement

See §§298.11 - 298.12 of the proposed regulations.

## Questions and Answers

29. Must States maintain effort in order to receive funds under Chapter 2?

Yes, unless the Secretary grants a State a waiver of the maintenance of effort requirement for one year. See Section 585(a)(1) of Chapter 2; §298.11(a) of the proposed regulations.

30. What year is the preceding fiscal year?

See §298.11(a)(1) of the proposed regulations.

31. What expenditures are to be included in computing "aggregate expenditures"?

See §298.11(a)(2) of the proposed regulations.

32. To what extent does the Secretary reduce a State's Chapter 2 allocation if the State does not maintain effort at the 90 percent level?

See Section 585(a)(2) of Chapter 2; §298.11(b)(1) of the proposed regulations. For examples of how such a reduction will be made, see fiscal years 1983 and 1986 of the example in Question 33.

33. If a State incurs a maintenance of effort penalty, what base must be used to determine compliance with the maintenance of effort requirement in succeeding fiscal years?

See §298.11(b)(2) of the proposed regulations.

EXAMPLE

| | 1 | 2 | 3 | 4 |
|---|---|---|---|---|
| Current fiscal year | Expenditures in first preceding fiscal year | Expenditures in second preceding fiscal year | Level of expenditures required to avoid maintenance of effort penalty (90% of column 2) | Penalty reduction in SEA allocation |
| 1983 | $850,000 (FY 1981) (failure to maintain effort) | $1,000,000 (FY 1980) | $900,000 | 5.6% of SEA allocation (5/90) ($50,000/$900,000) |
| 1984 | $810,000 (FY 1982) | $900,000 (90% of FY 1980 -- i.e., third preceding fiscal year--instead of FY 1981) | $810,000 | none |
| 1985 | $800,000 (FY 1983) | $810,000 (FY 1982) | $729,000 | none |
| 1986 | $700,000 (FY 1984) (failure to maintain effort) | $800,000 (FY 1983) | $720,000 | 2.8% of SEA allocation ($20,000/$720,000) |

34. When there is a failure to meet the maintenance of effort requirement and a State's Chapter 2 allocation is reduced, may the State reduce the allocation of the LEA or LEAs that caused the State to fail to maintain effort in order to reflect that failure?

    No. As the Secretary interprets Chapter 2, the reduced sum made available to an SEA that failed to maintain effort is the sum the SEA must distribute under Section 565(a). There is no provision in Section 565(a) for reducing an LEA's allocation if that LEA caused the SEA to fail to maintain effort. Nothing in Chapter 2, however, forbids an SEA from allocating the Chapter 2 funds reserved for State use to only those LEAs that maintained effort.

35. Under what circumstances may the Secretary grant a State a waiver of the maintenance of effort requirement?

    See Section 585(a)(3) of Chapter 2 and §298.12(b) of the proposed regulations.

36. What effect does a waiver of the maintenance of effort requirement have on a State's Chapter 2 allocation?

    See §298.12(c)(1) of the proposed regulations.

37. After the maintenance of effort requirement has been waived in a State, what base must be used to determine compliance with that requirement in succeeding fiscal years?

    See §298.12(c)(2) of the proposed regulations.

38. Must private schools maintain effort?

    No. The maintenance of effort requirement in Section 585(a) of Chapter 2 is calculated on the basis of either the combined fiscal effort per student or the aggregate expenditures within the State with respect to the provision of free public education. Expenditures for private education are not considered in the determination.

## SUPPLEMENT, NOT SUPPLANT

### Statutory Requirement

See Section 585(b) of Chapter 2.

### Regulatory Requirement

See §298.13 of the proposed regulations.

## Questions and Answers

39. What restrictions does the supplement, not supplant requirement impose on SEAs' or LEAs' use of Chapter 2 funds?

    By enacting the supplement, not supplant provision contained in Section 585(b) of Chapter 2, Congress intended that Chapter 2 funds be used only to supplement the educational programs generally offered with State and local funds. To be in compliance with this requirement, therefore, an SEA or LEA may not divert State and local funds from an activity merely because Chapter 2 funds are available. In other words, the use of Chapter 2 funds may not result in a decrease in State and local funds for a particular activity which, in the absence of the Chapter 2 funds, would have been available to conduct the activity. A specific example of such a circumstance is any program that an SEA or LEA is required by law to provide. Because the SEA or LEA would have to use State and local funds to provide particular statutorily-required services in the absence of Chapter 2 funds, the SEA or LEA may not use Chapter 2 funds to replace the State and local funds it would otherwise be required by law to use. Rather, the SEA or LEA may only use Chapter 2 funds to provide supplemental services that it would not have provided had the Chapter 2 funds not been available.

# AVAILABILITY OF FUNDS

## Statutory Requirements

See Section 594 of the ECIA.

In addition, Section 596(b) of the ECIA makes Section 412 of GEPA applicable to any Chapter 2 funds appropriated for any fiscal year.

## Regulatory Requirement

See Section 298.14 of the proposed regulations.

## Questions and Answers

40. What guidance may SEAs and LEAs use to determine when funds are considered to have been obligated?

    See §298.14(b) of the proposed regulations and the preamble of the proposed regulations.

# RECORDKEEPING

## Statutory Requirements

The following sections contain the Chapter 2 recordkeeping requirements applicable to --

### SEAs

Section 564(a)(6) of Chapter 2.
Section 435(b)(5) of GEPA.

### LEAs

Section 566(a)(3) of Chapter 2.
Section 436(b)(3) of GEPA.

## Regulatory Requirement

See §298.15 of the proposed regulations.

## Questions and Answers

41. What records should SEAs and LEAs retain in order to be in compliance with the recordkeeping requirement in Chapter 2?

    As nothing in the Chapter 2 statute or regulations indicates the types of records that SEAs and LEAs must maintain, these agencies are free to keep such records as they determine are necessary for fiscal audit and program evaluation. See Sections 564(a)(6) and 566(a)(3) of Chapter 2; §298.15 of the proposed regulations.

# EVALUATION

## Statutory Requirement

See Section 564(a)(5) of Chapter 2.

# ACCESS TO RECORDS AND AUDITS

## Statutory Requirement

See Section 1744 of Title XVII of the Omnibus Budget Reconciliation Act of 1981.

### Regulatory Requirement

See §298.16 of the proposed regulations.

## STATE AUDITS

### Statutory Requirement

See Section 1745 of the Omnibus Budget Reconciliation Act of 1981.

### Regulatory Requirement

See §298.17 of the proposed regulations.

### Questions and Answers

42. What are the audit responsibilities of a State with respect to programs operated under Chapter 2?

    In accordance with Section 1745 of the Omnibus Budget Reconciliation Act of 1981 and §298.17 of the proposed regulations, each State must conduct financial and compliance audits of funds it receives under Chapter 2. The State must conduct these audits every two years. The first two-year period begins on July 1, 1982. Insofar as practicable, the State must conduct these audits in accordance with standards contained in the U.S. General Accounting Office's publication "Standards for Audit of Governmental Organizations, Programs, Activities, and Functions." This document is available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. The State may choose to follow the principles and procedures of OMB Circular A-102, Attachment P (published at 44 Fed. Reg. 60958-60 (1979)) to meet this audit requirement. If it does so, the State will be deemed to be in compliance with Section 1745.

    This requirement that States audit Chapter 2 funds in no way limits the authority of the Comptroller General or the Inspector General to audit Chapter 2 funds also. In practice, however, if a State meets its audit requirements, the Department expects to rely on the State's independent audits and to build on such audits when a federal audit is deemed necessary.

43. Under Section 1745, may a State fulfill its responsibility for auditing Chapter 2 funds by arranging for independent auditors to audit at the State and local levels?

    Yes. The phrase "each State shall conduct financial and compliance audits" in Section 1745 does not appear to preclude a State from arranging for an audit by an independent auditor or from requiring its LEAs to arrange for their own independent audits.

44. Must States audit for compliance with the requirements in Chapter 2?

> Yes. Section 1745 requires States to conduct compliance audits as well as financial audits of programs operated with Chapter 2 funds.

45. May Chapter 2 funds be used to pay for the audits required by Section 1745?

> Yes. SEAs and LEAs may pay for the audits of their Chapter 2 programs from their Chapter 2 allocations.

## PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS

### Statutory Requirement

See Section 586(a)-(c) of Chapter 2.

### Regulatory Requirement

See §§298.21-298.28 of the proposed regulations.

### Questions and Answers

46. Must an LEA serve children attending a private school in its geographic area even if the children reside in another district of the State, or in another State?

> Yes. The LEA must provide Chapter 2 benefits to children enrolled in private schools within the LEA, regardless of where those children reside. See §298.21(a) of the proposed regulations.

47. If a private educational institution is considered a private nonprofit elementary or secondary school under State law, may an LEA decline to serve children in that school because it does not meet other state laws?

> Section 586(a) of Chapter 2 requires an LEA to provide services to children in private nonprofit elementary and secondary schools in the LEA. As a result, if the private educational institution qualifies as a private nonprofit elementary or secondary school under State law and is in compliance with applicable federal statutes and regulations, Section 586(a) requires the LEA to provide Chapter 2 services to the children in that school regardless of whether the school complies with other State laws.

48. How do LEAs assure that they will serve children enrolled in private schools?

Section 566(a)(2) of Chapter 2 requires an LEA to provide an assurance in its Chapter 2 application that it is in compliance with the provisions of Chapter 2, including the participation of children enrolled in private nonprofit schools.

49. Must an LEA provide Chapter 2 services to children in all the private schools in its attendance area -- even if an individual private school does not want its children to receive Chapter 2 services?

As the Secretary interprets Section 586, an LEA is not required to provide Chapter 2 services to children in a private school where the officials of the school have indicated a desire that the children not participate in Chapter 2 programs.

50. If private schools do not want their children to receive Chapter 2 services from an LEA, what happens to the funds generated by the presence of those private school children in the LEA?

If private school officials in an LEA reject Chapter 2 services for their students, that LEA may retain the Chapter 2 funds generated by those private school children for other authorized Chapter 2 purposes.

51. What duty does an LEA have to notify private school officials that children enrolled in private schools in the LEA are eligible to receive Chapter 2 benefits and services?

Section 586(a) of Chapter 2 and §298.22 of the proposed regulations require an LEA receiving Chapter 2 funds to consult with appropriate private school officials regarding the development and implementation of the Chapter 2 program. This consultation includes notice to private school officials of the Chapter 2 services and benefits that private school children are eligible to receive. The LEA, however, has considerable flexibility in deciding what form this notice should take.

52. May an LEA decide what Chapter 2 services it will provide to its public school children and then provide only those services to the children enrolled in private schools?

In accordance with Section 586(a)(1) of Chapter 2 and §298.24(b)(3) of the proposed regulations, an LEA must provide Chapter 2 services for the private school children that address their needs, even if those needs are different from the needs of the children enrolled in the public schools.

53. If an LEA restricts its Chapter 2 activities to a grade level or a program area, may the LEA restrict the participation of private school children to the same grade level or program area?

Section 586(b) states that when an LEA uses Chapter 2 funds to concentrate on a particular group, attendance area, or grade or age level, children enrolled in private schools who are included within the group, attendance area, or grade or age level selected for such concentration shall, after consultation with the appropriate private school officials, be assured equitable participation in the purposes and benefits of the Chapter 2 program. When read in conjunction with the provision in Section 586(a)(1) that requires other arrangements if the needs of the private school children are different, the Secretary interprets Section 586(b) to entitle those private school children with similar needs in the same group, attendance area, or grade or age level to receive Chapter 2 services, but does not excuse the LEA from providing other arrangements in other groups, attendance areas, or grade or age levels if the needs of the private school children are different.

54. May an LEA use Chapter 2 funds to provide services that supplant the services already being provided by a private school?

No. See §298.25(a) of the proposed regulations.

55. May Chapter 2 funds be allocated directly to the private schools?

No. Section 586(c)(1) of Chapter 2 and §298.21(a)(3) of the proposed regulations require that the control and administration of Chapter 2 funds must be in a public agency.

56. Must persons providing services to private school children be employees of an LEA?

Section 586(c)(2) and §298.21(a)(4) of the proposed regulations require Chapter 2 services to be provided by employees of a public agency or through contract by such public agency with a person, association, agency, or corporation that is independent of the private school and of any religious organizations. Such employment or contract must be under the control and supervision of the public agency. This requirement does not preclude an LEA from hiring private school teachers to provide Chapter 2 services to private school children outside the normal school day.

57. May an LEA charge the administrative costs for implementing and monitoring activities for private school children to its Chapter 2 account?

Yes. Administrative costs for providing Chapter 2 services to private school children may be paid from the LEA's Chapter 2 allocation.

## CLOSEOUT ACTIVITIES

### Statutory Requirement

See Section 587 of Chapter 2.

## Removal of Regulatory Requirements

On August 25, 1981, the Department published a notice in the *Federal Register* amending Title 34 of the Code of Federal Regulations to remove those regulations that will become obsolete on October 1, 1982, as a result of the consolidation of certain categorical education programs into Chapter 2. See 46 Fed. Reg. 42847-48 (1981). As the notice states, "subject to the provisions of the Omnibus Education Reconciliation Act of 1981, grants awarded by the Department of Education before October 1, 1982, are subject to the regulations in effect at the time the grants were made." *Id.* at 42847.

The following regulations will be removed from Title 34 of the Code of Federal Regulations effective October 1, 1982:

Part 208 - Strengthening State Educational Agency Management

Part 209 - Administration of Education Programs and Duties of the State Educational Agency

Part 240 - Teacher Centers Program

Part 280 - Emergency School Aid

Part 295 - Career Education, State Allotment Program

Part 296 - Career Education, Discretionary Programs

Part 345 - Gifted and Talented Children's Education Program: General

Part 346 - Gifted and Talented Children's Education: State Administered Program

Part 347 - Gifted and Talented Children's Education Program: Discretionary Grant Program

Part 410 - Youth Employment Program

Part 440 - Community Schools and Comprehensive Community Education Program

Part 441 - Community Education: State Program

Part 442 - Community Education: Grants to Local Educational Agencies

Part 443 - Community Education: Grants to Public Agencies and Nonprofit Private Corporations

Part 444 - Community Education: Training Grants to Institutions of Higher Education

Part 647 - Biomedical Sciences Program

Part 752 - Metric Education Program

Part 753 - Arts Education Program

Part 755 - Consumers' Education Program

Part 757 - Law-Related Education

Part 758 - Financial Assistance for Environmental Education Projects

Part 763 - Population Education Program

Part 765 - Basic Skills Improvement and Educational Proficiency

Part 766 - National Basic Skills Improvement

Part 767 - State Basic Skills Improvement

Part 768 - Educational Proficiency

Part 769 - Ethnic Heritage Studies Program

Part 774 - Grants to State Educational Agencies for Educational Improvement, Resources, and Support

Part 793 - Teacher Corps

Part 797 - Pre-College Teacher Development in Science Program

## Questions and Answers

58. When do the statutory and regulatory requirements governing the categorical programs that were consolidated into Chapter 2 end?

    As indicated in Section 587 of Chapter 2, with the exception of the Follow-Through program, the provisions of the categorical programs that were consolidated into Chapter 2 are repealed effective October 1, 1982. Likewise, as indicated in the notice published on August 25, 1981 in the Federal Register, the regulations governing those programs are removed from Title 34 of the Code of Federal Regulations effective October 1, 1982. Thus, both the statutory and regulatory requirements governing the categorical programs that were consolidated into Chapter 2 are repealed as of October 1, 1982.

    For the funds from the antecedent categorical programs that SEAs and LEAs have obligated prior to July 1, 1982, SEAs and LEAs must continue to adhere to the statutory and regulatory requirements in effect at the time the grants were made. These requirements must be adhered to for the duration of the grant, even if it extends beyond October 1, 1982. However, as indicated in Section 514(b)(2)(B) of the Omnibus Education Reconciliation Act of 1981 and the preamble of the proposed regulations, SEAs and LEAs must expend and use any funds from the antecedent programs that remain unobligated as of July 1, 1982, in accordance with Chapter 2. Although this provision does not require SEAs and LEAs to alter their activities -- because all of the activities authorized under the antecedent programs are also authorized under Chapter 2 -- the provision does require SEAs and LEAs to expend and use those funds in accordance with the more flexible requirements of Chapter 2 beginning on July 1, 1982. Thus, with regard to any unobligated funds from the antecedent programs, the statutory and regulatory requirements of the antecedent programs end on July 1, 1982.

Because Section 514(b)(2)(B) only pertains to SEAs and LEAs, any other public and private agencies, organizations, and institutions that received grants, subgrants, or contracts under the antecedent programs are not affected by Section 514. Therefore, such grantees, subgrantees, or contractors shall continue to operate their grants or contracts according to the statutory and regulatory requirements in effect at the time the grants or contracts were made. As a result, the statutory and regulatory requirements of the antecedent programs apply for the duration of the grant or contract, even if it extends beyond October 1, 1982.

## ATTACHMENTS

# EDUCATION CONSOLIDATION AND IMPROVEMENT ACT OF 1981

## CHAPTER 2—CONSOLIDATION OF FEDERAL PROGRAMS FOR ELEMENTARY AND SECONDARY EDUCATION

### STATEMENT OF PURPOSE

SEC. 561. (a) It is the purpose of this chapter to consolidate the program authorizations contained in—

(1) titles II, III, IV, V, VI, VIII, and IX (except part C) of the Elementary and Secondary Education Act of 1965;

(2) the Alcohol and Drug Abuse Education Act;

(3) part A and section 532 of title V of the Higher Education Act of 1965;

(4) the Follow Through Act (on a phased basis);

(5) section 3(a)(1) of the National Science Foundation Act of 1950 relating to precollege science teacher training; and

(6) the Career Education Incentive Act;

into a single authorization of grants to States for the same purposes set forth in the provisions of law specified in this sentence, but to be used in accordance with the educational needs and priorities of State and local educational agencies as determined by such agencies. It is the further purpose and intent of Congress to financially assist State and local educational agencies to improve elementary and secondary education (including preschool education) for children attending both public and private schools, and to do so in a manner designed to greatly reduce the enormous administrative and paperwork burden imposed on schools at the expense of their ability to educate children.

(b) The basic responsibility for the administration of funds made available under this chapter is in the State educational agencies, but it is the intent of Congress that this responsibility be carried out with a minimum of paperwork and that the responsibility for the design and implementation of programs assisted under the chapter shall be mainly that of local educational agencies, school superintendents and principals, and classroom teachers and supporting personnel, because they have the most direct contact with students and are most directly responsible to parents.

### AUTHORIZATION OF APPROPRIATIONS; DURATION OF ASSISTANCE

SEC. 562. (a) There are authorized to be appropriated such sums as may be necessary for fiscal year 1982 and each of the five succeeding fiscal years to carry out the provisions of this chapter.

(b) During the period beginning July 1, 1982, and ending September 30, 1987, the Secretary shall, in accordance with the provisions of this subtitle, make payments to State educational agencies for the purposes of this chapter.

(c) Funds available under previously authorized programs shall be available for the purpose of such payments in accordance with section 514(b)(2) of the Omnibus Education Reconciliation Act of 1981.

### ALLOTMENTS TO STATES

Sec. 563. (a) From the sums appropriated to carry out this chapter in any fiscal year, the Secretary shall reserve not to exceed 1 per centum for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands, to be allotted in accordance with their respective needs. The Secretary shall reserve an additional amount, not to exceed 6 per centum of the sums appropriated, to carry out the purposes of section 583. From the remainder of such sums the Secretary shall allot to each State an amount which bears the same ratio to the amount of such remainder as the school-age population of the State bears to the school-age population of all States, except that no State shall receive less than an amount equal to 0.5 per centum of such remainder.

(b) For the purposes of this section:

(1) The term "school-age population" means the population aged five through seventeen.

(2) The term "States" includes the fifty States, the District of Columbia, and Puerto Rico.

### STATE APPLICATIONS

Sec. 564. (a) Any State which desires to receive grants under this chapter shall file an application with the Secretary which—

(1) designates the State educational agency as the State agency responsible for the administration and supervision of programs assisted under this chapter;

(2) provides for a process of active and continuing consultation with the State educational agency of an advisory committee, appointed by the Governor and determined by the Governor to be broadly representative of the educational interests and the general public in the State, including persons representative of—

(A) public and private elementary and secondary schoolchildren;

(B) classroom teachers;

(C) parents of elementary and secondary schoolchildren;

(D) local boards of education;

(E) local and regional school administrators (including principals and superintendents);

(F) institutions of higher education; and

(G) the State legislature;

to advise the State educational agency on the allocation among authorized functions of funds (not to exceed 20 per centum of the amount of the State's allotment) reserved for State use under section 565(a), on the formula for the allocation of funds to local educational agencies, and on the planning, development, support, implementation, and evaluation of State programs assisted under this chapter;

(3) sets forth the planned allocation of funds reserved for State use under section 565(a) among subchapters A, B, and C of this

chapter and among the authorized programs and projects which are to be implemented, and the allocation of such funds required to implement section 586, including administrative costs of carrying out the responsibilities of the State educational agency under this chapter;

(4) provides for timely public notice and public dissemination of the information provided pursuant to paragraphs (2) and (3);

(5) beginning with fiscal year 1984, provides for an annual evaluation of the effectiveness of programs assisted under this chapter, which shall include comments of the advisory committee, and shall be made available to the public; and

(6) provides that the State educational agency will keep such records and provide such information to the Secretary as may be required for fiscal audit and program evaluation (consistent with the responsibilities of the Secretary under this chapter); and

(7) contains assurances that there is compliance with the specific requirements of this chapter.

(b) An application filed by the State under subsection (a) shall be for a period not to exceed three fiscal years, and may be amended annually as may be necessary to reflect changes without filing a new application.

### ALLOCATION TO LOCAL EDUCATIONAL AGENCIES

Sec. 565. (a) From the sum made available each year under section 563, the State educational agency shall distribute not less than 80 per centum to local educational agencies within such State according to the relative enrollments in public and nonpublic schools within the school districts of such agencies, adjusted, in accordance with criteria approved by the Secretary, to provide higher per pupil allocations to local educational agencies which have the greatest numbers or percentages of children whose education imposes a higher than average cost per child, such as—

(1) children from low-income families,

(2) children living in economically depressed urban and rural areas, and

(3) children living in sparsely populated areas.

(b) The Secretary shall approve criteria suggested by the State educational agency for adjusting allocations under subsection (a) if such criteria are reasonably calculated to produce an equitable distribution of funds with reference to the factors set forth in subsection (a).

(c) From the funds paid to it pursuant to sections 563 and 564 during each fiscal year, the State educational agency shall distribute to each local educational agency which has submitted an application as required in section 566 the amount of its allocation as determined under subsection (a).

### LOCAL APPLICATIONS

Sec. 566. (a) A local educational agency may receive its allocation of funds under this chapter for any year in which it has on file with the State educational agency an application which—

(1) sets forth the planned allocation of funds among subchapters A, B, and C of this chapter and for the programs authorized by such subchapters which it intends to support, including the allocation of such funds required to implement section 586;

(2) provides assurances of compliance with provisions of this chapter relating to such programs, including the participation of children enrolled in private, nonprofit schools in accordance with section 586;

(3) agrees to keep such records, and provide such information to the State educational agency as reasonably may be required for fiscal audit and program evaluation, consistent with the responsibilities of the State agency under this chapter; and

(4) in the allocation of funds for programs authorized by this chapter, and in the design, planning, and implementation of such programs, provides for systematic consultation with parents of children attending elementary and secondary schools in the area served by the local agency, with teachers and administrative personnel in such schools, and with other groups as may be deemed appropriate by the local educational agency.

(b) An application filed by a local educational agency under subsection (a) shall be for a period not to exceed three fiscal years, may provide for the allocation of funds among programs and purposes authorized by this chapter for a period of three years, and may be amended annually as may be necessary to reflect changes without filing a new application.

(c) Each local educational agency shall have complete discretion, subject only to the provisions of this chapter, in determining how funds the agency receives under this section shall be divided among the purposes of this chapter in accordance with the application submitted under this section.

## Subchapter A—Basic Skills Development

### USE OF FUNDS

Sec. 571. Funds allocated for use under this subchapter shall be used by State and local educational agencies to develop and implement a comprehensive and coordinated program designed to improve elementary and secondary school instruction in the basic skills of reading, mathematics, and written and oral communication, as formerly authorized by title II of the Elementary and Secondary Education Act of 1965, relating to basic skills improvement, including the special mathematics program as formerly authorized by section 232 of such title.

### STATE LEADERSHIP AND SUPPORT SERVICES

Sec. 572. (a) In order to achieve the purposes of this subchapter, State educational agencies may use funds reserved for State programs to make grants to and enter into contracts with local educational agencies, institutions of higher education, and other public and private agencies, organizations, and institutions—

(1) to carry out planning, research and development, demonstration projects, training of leadership personnel, short term and regular session teacher training institutes; and

(2) for the development of instructional materials, the dissemination of information, and technical assistance to local educational agencies.

Each State educational agency may also use such funds for technical assistance and training for State boards of education.

(b) State educational agencies may support activities designed to enlist the assistance of parents and volunteers working with schools to improve the performance of children in the basic skills. Such activities may include—

(1) the development and dissemination of materials that parents may use in the home to improve their children's performance in those skills; and

(2) voluntary training activities for parents to encourage and assist them to help their children in developing basic skills;

except that such activities conducted in local areas shall be conducted with the approval of and in conjunction with programs of local educational agencies.

### SCHOOL LEVEL PROGRAMS

SEC. 573. (a) In planning for the utilization of funds it allocates for this chapter (from its allotment under section 565) a local educational agency shall provide for the participation of children enrolled in private elementary and secondary schools (and of teachers in such schools) in accordance with section 586. Such plans shall be developed in conjunction with and involve continuing consultation with teachers and principals in such district. Such planning shall include a systematic strategy for improving basic skills instruction for all children which provides for planning and implementation at the school building level, involving teachers, administrators, and (to the extent practicable) parents, and utilizing all available resources in a comprehensive program. The programs shall include—

(1) diagnostic assessment to identify the needs of all children in the school;

(2) the establishment of learning goals and objectives for children and for the school;

(3) to the extent practicable, pre-service and in-service training and development programs for teachers, administrators, teacher aides and other support personnel, designed to improve instruction in the basic skills;

(4) activities designed to enlist the support and participation of parents to aid in the instruction of their children; and

(5) procedures for testing students and for evaluation of the effectiveness of programs for maintaining a continuity of effort for individual children.

(b) The programs described in subsection (a) may include such areawide or districtwide activities as learning centers accessible to students and parents, demonstration and training programs for parents, and other activities designed to promote more effective instruction in the basic skills.

## Subchapter B—Educational Improvement and Support Services

### STATEMENT OF PURPOSE

SEC. 576. It is the purpose of this subchapter to permit State and local educational agencies to use Federal funds (directly, and through grants to or contracts with educational agencies, local educational agencies, institutions of higher education, and other public and private agencies, organizations, and institutions) to carry out selected activities from among the full range of programs and projects formerly authorized under title IV, relating to educational improvement, resources, and support, title V, relating to State leadership, title VI, relating to emergency school aid, of the Elementary and Secondary Education Act of 1965, section 3(a)(1) of the National

Science Foundation Act of 1950, relating to precollege science teacher training, and part A and section 532 of title V of the Higher Education Act of 1965, relating to the Teacher Corps and teacher centers, in accordance with the planned allocation of funds set forth in the applications under sections 564 and 566, in conformity with the other requirements of this chapter.

### AUTHORIZED ACTIVITIES

SEC. 577. Programs and projects authorized under this subchapter include—

(1) the acquisition and utilization—

(A) of school library resources, textbooks, and other printed and published instructional materials for the use of children and teachers in public and private elementary and secondary schools which shall be used for instructional purposes only, and

(B) of instructional equipment and materials suitable for use in providing education in academic subjects for use by children and teachers in elementary and secondary schools which shall be used for instructional purposes only,

which take into account the needs of children in both public and private schools based upon periodic consultation with teachers, librarians, media specialists, and private school officials;

(2) the development of programs designed to improve local educational practices in elementary and secondary schools, and particularly activities designed to address educational problems such as the education of children with special needs (educationally deprived children, gifted and talented children, including children in private schools);

(3) programs designed to assist local educational agencies, upon their request, to more effectively address educational problems caused by the isolation or concentration of minority group children in certain schools if such assistance is not conditioned upon any requirement that a local educational agency which assigns students to schools on the basis of geographic attendance areas adopt any other method of student assignment, and that such assistance is not made available for the transportation of students or teachers or for the acquisition of equipment for such transportation;

(4) comprehensive guidance, counseling, and testing programs in elementary and secondary schools and State and local support services necessary for the effective implementation and evaluation of such programs (including those designed to help prepare students for employment);

(5) programs and projects to improve the planning, management and implementation of educational programs, including fiscal management, by both State and local educational agencies, and the cooperation of such agencies with other public agencies;

(6) programs and projects to assist in teacher training and in-service staff development, particularly to better prepare both new and in-service personnel to deal with contemporary teaching and learning requirements and to provide assistance in the teaching and learning of educationally deprived students; and

(7) programs and projects to assist local educational agencies to meet the needs of children in schools undergoing desegregation and to assist such agencies to develop and implement plans for desegregation in the schools of such agencies.

## Subchapter C—Special Projects

### STATEMENT OF PURPOSE

SEC. 581. It is the purpose of this subchapter to permit State and local educational agencies to use Federal funds (directly and through grants to or contracts with educational agencies, local educational agencies, institutions of higher education, and other public and private agencies, organizations, and institutions) to carry out selected activities from among the full range of programs and projects formerly authorized under title III, relating to special projects, title VIII, relating to community schools, and title IX (except part C), relating to gifted and talented children, educational proficiency standards, safe schools program, and ethnic heritage program, of the Elementary and Secondary Education Act of 1965, the Career Education Incentive Act, and part B of title V of the Economic Opportunity Act of 1964, relating to Follow Through programs, in accordance with the planned allocation of funds set forth in the applications under sections 564 and 566, in conformity with the other requirements of this chapter.

### AUTHORIZED ACTIVITIES

SEC. 582. Programs and projects authorized under this subchapter include—

(1) special projects (as may be determined to be desirable by the State or local educational agencies) in such areas as—

(A) preparation of students to use metric weights and measurements when such use is needed;

(B) emphasis on the arts as an integral part of the curriculum;

(C)(i) in-school partnership programs in which the parents of school-age children participate to enhance the education and personal development of the children, previously authorized by part B of the Headstart-Follow Through Act;

(ii) preschool partnership programs in which the schools work with parents of preschool children in cooperation with programs funded under the Headstart-Follow Through Act;

(D) consumer education;

(E) preparation for employment, the relationship between basic academic skill development and work experience, and coordination with youth employment programs carried out under the Comprehensive Employment and Training Act;

(F) career education previously authorized by the Career Education Incentive Act;

(G) environmental education, health education, education about legal institutions and the American system of law and its underlying principles, and studies on population and the effects of population changes;

(H) academic and vocational education of juvenile delinquents, youth offenders, and adult criminal offenders; and

(I) programs to introduce disadvantaged secondary school students to the possibilities of careers in the biomedical and medical sciences, and to encourage, motivate, and assist them in the pursuit of such careers;

(2) the use of public education facilities as community centers operated by a local education agency in conjunction with other local governmental agencies and community organizations and groups to provide educational, recreational, health care, cul-

tural, and other related community and human services for the community served in accordance with the needs, interests, and concerns of the community and the agreement and conditions of the governing board of the local educational agency; and

(3) additional programs, including—

(A) special programs to identify, encourage, and meet the special educational needs of children who give evidence of high performance capability in areas such as intellectual, creative, artistic, leadership capacity, or specific academic fields, and who require services or activities not ordinarily provided by the school in order to fully develop such capabilities;

(B) establishment of educational proficiency standards for reading, writing, mathematics, or other subjects, the administration of examinations to measure the proficiency of students, and implementation of programs (coordinated with those under subchapter A of this chapter) designed to assist students in achieving levels of proficiency compatible with established standards;

(C) programs designed to promote safety in the schools and to reduce the incidence of crime and vandalism in the school environment;

(D) planning, developing, and implementing ethnic heritage studies programs to provide all persons with an opportunity to learn about and appreciate the unique contributions to the American national heritage made by the various ethnic groups, and to enable students better to understand their own cultural heritage as well as the cultural heritage of others; and

(E) programs involving training and advisory services under title IV of the Civil Rights Act of 1964.

## Subchapter D—Secretary's Discretionary Funds

### DISCRETIONARY PROGRAM AUTHORIZED

SEC. 583. (a) From the sums reserved by the Secretary pursuant to the second sentence of section 563(a) the Secretary is authorized to carry out directly or through grants to or contracts with State and local educational agencies, institutions of higher education, and other public and private agencies, organizations, and institutions, programs and projects which—

(1) provide a national source for gathering and disseminating information on the effectiveness of programs designed to meet the special educational needs of educationally deprived children, and others served by this subtitle, and for assessing the needs of such individuals, including programs and projects formerly authorized by section 376 of the Elementary and Secondary Education Act of 1965 and programs and projects formerly funded under the "National Diffusion Network" program;

(2) carry out research and demonstrations related to the purposes of this subtitle;

(3) are designed to improve the training of teachers and other instructional personnel needed to carry out the purposes of this subtitle; or

(4) are designed to assist State and local educational agencies in the implementation of programs under this subtitle.

(b) From the funds reserved for the purposes of this section, the Secretary shall first fund—

(1) the Inexpensive Book Distribution Program (as carried out through "Reading is Fundamental") as formerly authorized by part C of title II of the Elementary and Secondary Education Act of 1965,

(2) the programs of national significance in the "Arts in Education" Program as formerly authorized by part C of title III of such Act, and

(3) programs in alcohol and drug abuse education as formerly authorized by the Alcohol and Drug Abuse Education Act,

at least in amounts necessary to sustain the activities described in this sentence at the level of operations during fiscal year 1981, and then utilize the remainder of such funds for the other authorized activities described in subsection (a).

## Subchapter E—General Provisions

### MAINTENANCE OF EFFORT; FEDERAL FUNDS SUPPLEMENTARY

SEC. 585. (a)(1) Except as provided in paragraph (2), a State is entitled to receive its full allocation of funds under this chapter for any fiscal year if the Secretary finds that either the combined fiscal effort per student or the aggregate expenditures within the State with respect to the provision of free public education for the preceding fiscal year was not less than 90 per centum of such combined fiscal effort or aggregate expenditures for the second preceding fiscal year.

(2) The Secretary shall reduce the amount of the allocation of funds under this chapter in any fiscal year in the exact proportion to which the State fails to meet the requirements of paragraph (1) by falling below 90 per centum of both the fiscal effort per student and aggregate expenditures (using the measure most favorable to the State), and no such lesser amount shall be used for computing the effort required under paragraph (1) for subsequent years.

(3) The Secretary may waive, for one fiscal year only, the requirements of this subsection if he determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State.

(b) A State or local educational agency may use and allocate funds received under this chapter only so as to supplement and, to the extent practical, increase the level of funds that would, in the absence of Federal funds made available under this chapter, be made available from non-Federal sources, and in no case may such funds be used so as to supplant funds from non-Federal sources.

(c) The Secretary is specifically authorized to issue regulations to enforce the provisions of this section.

### PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS

SEC. 586. (a)(1) To the extent consistent with the number of children in the school district of a local educational agency which is eligible to receive funds under this chapter or which serves the area in which a program or project assisted under this chapter is located who are enrolled in private nonprofit elementary and secondary schools, or with respect to instructional or personnel training programs funded by the State educational agency from funds reserved for State use under section 565, such agency after consultation with appropriate private school officials, shall provide for the benefit of such children in such schools secular, neutral, and nonideological services, materials, and equipment including the participation of the teachers of such children (and other educational personnel serving such children) in training programs, and the repair, minor remodeling, or construction of public facilities as may be necessary for their provision (consistent with subsection (c) of this section), or, if such service, materials, and equipment are not feasible or necessary in one or more such private schools as determined by the local educational agency after consultation with the appropriate private school officials, shall provide such other arrangements as will assure equitable participation of such children in the purposes and benefits of this chapter.

(2) If no program or project is carried out under subsection (a)(1) of this section in the school district of a local educational agency, the State educational agency shall make arrangements, such as through contracts with nonprofit agencies or organizations, under which children in private schools in that district are provided with services and materials to the extent that would have occurred if the local educational agency had received funds under this chapter.

(3) The requirements of this section relating to the participation of children, teachers, and other personnel serving such children shall apply to programs and projects carried out under this chapter by a State or local educational agency, whether directly or through grants to or contracts with other public or private agencies, institutions, or organizations.

(b) Expenditures for programs pursuant to subsection (a) shall be equal (consistent with the number of children to be served) to expenditures for programs under this chapter for children enrolled in the public schools of the local educational agency, taking into account the needs of the individual children and other factors which relate to such expenditures, and when funds available to a local educational agency under this chapter are used to concentrate programs or projects on a particular group, attendance area, or grade or age level, children enrolled in private schools who are included within the group, attendance area, or grade or age level selected for such concentration shall, after consultation with the appropriate private school officials, be assured equitable participation in the purposes and benefits of such programs or projects.

(c)(1) The control of funds provided under this chapter and title to materials, equipment, and property repaired, remodeled, or constructed therewith shall be in a public agency for the uses and purposes provided in this chapter, and a public agency shall administer such funds and property.

(2) The provision of services pursuant to this section shall be provided by employees of a public agency or through contract by such public agency with a person, an association, agency, or corporation who or which, in the provision of such services, is independent of such private school and of any religious organizations, and such employment or contract shall be under the control and supervision of such public agency, and the funds provided under this chapter shall not be commingled with State or local funds.

(d) If by reason of any provision of law a State or local educational agency is prohibited from providing for the participation in programs of children enrolled in private elementary and secondary schools, as required by this section, the Secretary shall waive such requirements and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of this section.

(e)(1) If the Secretary determines that a State or a local educational agency has substantially failed or is unwilling to provide for the participation on an equitable basis of children enrolled in private elementary and secondary schools as required by this section, he may waive such requirements and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of this section.

(2) Pending final resolution of any investigation or complaint that could result in a determination under this subsection or subsection (d), the Secretary may withhold from the allocation of the affected State or local educational agency the amount he estimated would be necessary to pay the cost of those services.

(f) Any determination by the Secretary under this section shall continue in effect until the Secretary determines that there will no longer be any failure or inability on the part of the State or local educational agency to meet the requirements of subsections (a) and (b).

(g) When the Secretary arranges for services pursuant to this section, he shall, after consultation with the appropriate public and private school officials, pay the cost of such services, including the administrative costs of arranging for those services, from the appropriate allotment of the State under this chapter.

(h)(1) The Secretary shall not take any final action under this section until the State educational agency and the local educational agency affected by such action have had an opportunity, for at least forty-five days after receiving written notice thereof, to submit written objections and to appear before the Secretary or his designee to show cause why that action should not be taken.

(2) If a State or local educational agency is dissatisfied with the Secretary's final action after a proceeding under paragraph (1) of this subsection, it may within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceedings on which he based this action, as provided in section 2112 of title 28, United States Code.

(3) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Secretary to take further evidence and the Secretary may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(4) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(i) Any bypass determination by the Secretary under titles II through VI and VIII and IX of the Elementary and Secondary Education Act of 1965 prior to the effective date of this chapter shall remain in effect to the extent consistent with the purposes of this chapter.

### REPEALS

SEC. 587. (a) Effective October 1, 1982, the provisions of—

(1) titles II, III, IV, V, VI, VIII, and IX (except part C) of the Elementary and Secondary Education Act of 1965;

(2) part A and section 532 of title V of the Higher Education Act of 1965;

(3) the Alcohol and Drug Abuse Education Act; and

(4) the Career Education Incentive Act;

are repealed.

(b) Effective October 1, 1984, subchapter C of chapter 8 of subtitle A of title VI of this Act, relating to Follow-Through programs is repealed.

## CHAPTER 3—GENERAL PROVISIONS

### FEDERAL REGULATIONS

SEC. 591. (a) The Secretary is authorized to issue regulations—

(1) relating to the discharge of duties specifically assigned to the Secretary under this subtitle;

(2) relating to proper fiscal accounting for funds appropriated under this subtitle and the method of making payments authorized under this subtitle; and

(3) which are deemed necessary to reasonably insure that there is compliance with the specific requirements and assurances required by this subtitle.

(b) In all other matters relating to the details of planning, developing, implementing, and evaluating programs and projects by State and local educational agencies the Secretary shall not issue regulations, but may consult with appropriate State, local, and private educational agencies and, upon request, provide technical assistance, information, and suggested guidelines designed to promote the development and implementation of effective instructional programs and to otherwise assist in carrying out the purposes of this subtitle.

(c) Regulations issued pursuant to this subtitle shall not have the standing of a Federal statute for the purposes of judicial review.

### WITHHOLDING OF PAYMENTS

SEC. 592. (a) Whenever the Secretary after reasonable notice to any State educational agency and an opportunity for a hearing on the record, finds that there has been a failure to comply substantially with any assurances required to be given or conditions required to be met under this subtitle the Secretary shall notify such agency of these findings and that beginning sixty days after the date of such notification, further payments will not be made to the State under this subtitle, or affected chapter thereof (or, in his discretion, that the State educational agency shall reduce or terminate further payments under the subtitle or affected chapter thereof, to specified local educational agencies or State agencies affected by the failure) until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied, (1) no further payments shall be made to the State under the subtitle or affected chapter thereof, or (2) payments by the State educational agency under the subtitle or affected chapter thereof shall be limited to local educational agencies and State agencies not affected by the failure, or (3) payments to particular local educational agencies shall be reduced, as the case may be.

(b) Upon submission to a State of a notice under subsection (a) that the Secretary is withholding payments, the Secretary shall take such action as may be necessary to bring his action to the attention of the public within the State.

### JUDICIAL REVIEW

Sec. 593. (a) If any State is dissatisfied with the Secretary's action under section 592(a), such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The filing of such petition shall act to suspend any withholding of funds by the Secretary pending the judgment of the court and prior to a final action on any review of such judgment. The Secretary thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(b) A State educational agency shall be presumed to have complied with this subtitle, but the findings of fact by the Secretary, if supported by the weight of evidence, may overcome such presumption. The court may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings.

(c) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

### AVAILABILITY OF APPROPRIATIONS

Sec. 594. Notwithstanding any other provision of law, unless expressly in limitation of this section, funds appropriated in any fiscal year to carry out activities under this subtitle shall become available for obligation on July 1 of such fiscal year and shall remain available for obligation until the end of the succeeding fiscal year.

### DEFINITIONS

Sec. 595. (a) Except as otherwise provided herein as used in this subtitle—

(1) the term "State" means a State, Puerto Rico, Guam, the District of Columbia, American Samoa, the Virgin Islands, the Northern Mariana Islands, or the Trust Territory of the Pacific Islands;

(2) the term "Secretary" means the Secretary of Education;

(3) the term "State educational agency" means the officer or agency primarily responsible for the State supervision of public elementary and secondary schools;

(4) the term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools. Such term includes any other public institution or agency having

administrative control and direction of a public elementary or secondary school;

(5) the term "parent" includes a legal guardian or other person standing in loco parentis;

(6) the term "free public education" means education which is provided at public expense, under public supervision and direction, and without tuition charge, and which is provided as elementary or secondary school education in the applicable State, except that such term does not include any education provided beyond grade twelve;

(7) the term "elementary school" means a day or residential school which provides elementary education, as determined under State law, and the term "secondary school" means a day or residential school which provides secondary education, as determined under State law, except that it does not include any education provided beyond grade twelve;

(8) the term "construction" includes the preparation of drawings and specifications for school facilities; erecting, building, acquiring, altering, remodeling, improving, or extending school facilities; and the inspection and supervision of the construction of school facilities;

(9) the term "equipment" includes machinery, utilities, and building equipment and any necessary enclosure or structures to house them, and includes all other items necessary for the functioning of a particular facility as a facility for the provision of educational services, including items such as instructional equipment and necessary furniture, printed, published, and audio-visual instructional materials, and books, periodicals, documents, and other related materials; and

(10) the term "school facilities" means classrooms and related facilities (including initial equipment) for free public education and interests in land (including site, grading, and improvements) on which such facilities are constructed, except that such term does not include those gymnasiums and similar facilities intended primarily for exhibitions for which admission is to be charged to the general public.

(b) Any term used in provisions referenced by section 554 and not defined in this section shall have the same meaning as that term was given in title I of the Elementary and Secondary Education Act of 1965 in effect prior to October 1, 1981.

### APPLICATION OF OTHER LAWS

SEC. 596. (a) Sections 434, 435, and 436 of the General Education Provisions Act (relating to "State Educational Agency Monitoring and Agency Application") shall not apply to programs authorized under this subtitle except to the extent that they relate to fiscal control and fund accounting procedures (including the title to property acquired with Federal funds), and shall not be construed to authorize the Secretary to require any reports or take any actions not specifically authorized by this subtitle.

(b) Section 412 of the General Education Provisions Act shall apply to any funds appropriated for any fiscal year pursuant to this subtitle.

## SECTION 514(b)(2)(B)

## OMNIBUS EDUCATION RECONCILIATION ACT OF 1981

(B) Funds appropriated in an appropriation Act for fiscal year 1981 for any program described in section 561(a) (1), (2), (3), (5), and (6) of this Act which are not obligated by a State or local educational agency prior to July 1, 1982, shall remain available to such agency but shall be expended and used in accordance with chapter 2 of the Education Consolidation and Improvement Act of 1981.

# TITLE XVII

# OMNIBUS BUDGET RECONCILIATION ACT OF 1981

### ACCESS TO RECORDS BY COMPTROLLER GENERAL

31 USC 1243 note.

SEC. 1744. For the purpose of evaluating and reviewing the use of block grant funds, consolidated assistance, or other grant programs established or provided for by this Act, the Comptroller General shall have access to any books, accounts, records, correspondence, or other documents that are related to such funds, assistance, or programs, and that are in the possession, custody, or control of States, political subdivisions thereof, or any of the grantees of such States or political subdivisions.

### STATE AUDITING REQUIREMENTS

31 USC 1243 note

SEC. 1745. (a) Each State shall conduct financial and compliance audits of any block grant funds which the State receives under this Act and any funds which the State receives under any consolidated assistance program established or provided for by this Act.

(b) Any audit required by subsection (a) shall be conducted with respect to the 2-year period beginning on October 1, 1981, and with respect to each 2-year period thereafter.

(c) Any audit required by subsection (a) shall, insofar as is practicable, be conducted in accordance with standards established by the Comptroller General for the audit of governmental organizations, programs, activities, and functions.

(d) The audit of funds by a State required by subsection (a) shall be conducted in lieu of any other financial and compliance audit of the same funds which the State is required to conduct under any other provision of this Act, unless such other provision, by explicit reference to this section, otherwise provides.

# SECTION 412

# GENERAL EDUCATION PROVISIONS ACT

## AVAILABILITY OF APPROPRIATIONS ON ACADEMIC OR SCHOOL YEAR BASIS

SEC. 412. (a) Appropriations for any fiscal year for grants, loans, contracts, or other payments to educational agencies or institutions under any applicable program may, in accordance with regulations of the Secretary, be made available for expenditure by the agency or institution concerned on the basis of an academic or school year differing from such fiscal year.

(b) Notwithstanding any other provision of law, unless enacted in specific limitation of the provisions of this subsection, any funds from appropriations to carry out any programs to which this title is applicable during any fiscal year which are not obligated and expended by educational agencies or institutions prior to the beginning of the fiscal year succeeding the fiscal year for which such funds were appropriated shall remain available for obligation and expenditure by such agencies and institutions during such succeeding fiscal year.

(2)[1] Any funds under any applicable program which, pursuant to paragraph (1), are available for obligation and expenditure in the year succeeding the fiscal year for which they were appropriated shall be obligated and expended in accordance with—

(A) the Federal statutory and regulatory provisions relating to such program which are in effect for such succeeding fiscal year, and

(B) any program plan or application submitted by such educational agencies or institutions for such program for such succeeding fiscal year.

(c) If any funds appropriated to carry out any applicable program are not obligated pursuant to a spending plan submitted in accordance with section 3679(d)(2) of the Revised Statutes and become available for obligation after the institution of a judicial proceeding seeking the release of such funds, then such funds shall be available for obligation and expenditure until the end of the fiscal year which begins after the termination of such judicial proceeding.

(20 U.S.C. 1225) Enacted Jan. 2, 1968, P.L. 90-247, Title I, sec. 405, 81 Stat. 815; amended April 13, 1970, P.L. 91-230, Title IV, sec. 401(a) (5), (7), (8), 84 Stat. 165; renumbered June 23, 1972, P.L. 92-318, sec. 301(a)(1), 86 Stat. 326, redesignated and amended, August 21, 1974, P.L. 93-380, sec. 506(a)(1), 88 Stat. 562, 563; amended April 21, 1976, P.L. 94-273, sec. 3(12), 90 Stat. 376.; amended Sept. 24, 1977, P.L. 95-112, sec. 5, 91 Stat. 912; amended Nov. 1, 1978, P.L. 95-561, sec. 1245, 92 Stat. 2354.

# SECTION 435

# GENERAL EDUCATION PROVISIONS ACT

### SINGLE STATE APPLICATION

SEC. 435. (a) In the case of any State which applies, contracts, or submits a plan, for participation in any applicable program in which Federal funds are made available for assistance to local educational agencies through, or under the supervision of, the State educational agency of that State, such State shall submit (subject, in the case of programs under titles I and IV of the Elementary and Secondary Education Act of 1965, to the provisions of title V of such Act) to the Commissioner a general application containing the assurances set forth in subsection (b). Such application may be submitted jointly for all programs covered by the application, or it may be submitted separately for each such program or for groups of programs. Each application submitted under this section must be approved by each official, agency, board, or other entity within the State which, under State law, is primarily responsible for supervision of the activities conducted under each program covered by the application.

(b) An application submitted under subsection (a) shall set forth assurances, satisfactory to the Commissioner—

* * *

(2) that the control of funds provided under each program and title to property acquired with program funds will be in a public agency, or in a nonprofit private agency, institution, or organization if the statute authorizing the program provides for grants to such entities, and that the public agency or nonprofit private agency, institution, or organization will administer such funds and property;

* * *

(5) that the State will use fiscal control and fund accounting procedures that will ensure proper disbursement of, and accounting for, Federal funds paid to the State under each program;

* * *

# SECTION 436

# GENERAL EDUCATION PROVISIONS ACT

### SINGLE LOCAL EDUCATIONAL AGENCY APPLICATION

SEC. 436. (a) Each local educational agency which participates in an applicable program under which Federal funds are made available to such agency through a State agency or board shall submit to such agency or board a general application containing the assurances set forth in subsection (b). That application shall cover the participation by that local education agency in all such programs.

(b) The general application submitted by a local educational agency under subsection (a) shall set forth assurances—

* * *

(2) that the control of funds provided to the local educational agency under each program and title to property acquired with those funds, will be in a public agency and that a public agency will administer those funds and property;

(3) that the local educational agency will use fiscal control and fund accounting procedures that will ensure proper disbursement of, and accounting for, Federal funds paid to that agency under each program;

* * *

## DEPARTMENT OF EDUCATION

## Office of Elementary and Secondary Eduction

## 34 CFR Parts 74, 76, 78, and 298

## Chapter 2 of the Education Consolidation and Improvement Act of 1981

**AGENCY:** Department of Education.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** The Secretary proposes regulations for activities authorized under Subchapters A, B, and C of Chapter 2 of the Education Consolidation and Improvement Act of 1981 (ECIA). These regulations allow State and local educational agencies maximum flexibility to administer funds and design programs under these subchapters of Chapter 2.

The Secretary also proposes to amend the regulations in 34 CFR Parts 74 and 76 (Education Department General Administrative Regulations) to indicate that those regulations do not apply to programs authorized under Chapter 2; and to amend 34 CFR Part 78 (the regulations for the Education Appeal Board.)

**DATE:** Comments on this notice or proposed rulemaking must be submitted on or before April 13, 1982.

**ADDRESS:** Written comments should be submitted to Mrs. Shirley A. Jackson, Acting Director, Educational Support Programs, Office of Elementary and Secondary Education, U.S. Department of Education, 400 Maryland Avenue, SW., Room 2070, Washington, D.C. 20202.

All comments submitted in response to this notice of proposed rulemaking will be available for public inspection, during and after the comment period, in Room 2: 81, 400 Maryland Avenue, SW., Washington, D.C., between the hours of 8 a.m. and 4:30 p.m., Monday through Friday of each week except Federal Holidays.

**FOR FURTHER INFORMATION CONTACT:** Mr. Allen King, Acting Deputy Director, Educational Support Services, Office of Elementary and Secondary Education, 400 Maryland Avenue, SW., Room 2079, Washington, D.C. 20202. Telephone: (202) 245–8407.

**SUPPLEMENTARY INFORMATION:**

### a. Purpose of Chapter 2 consolidation

Chapter 2 of the ECIA ("Chapter 2") was enacted as part of Subtitle D of Title V of the Omnibus Budget Reconciliation Act of 1981 (Pub. L. 97–35). Chapter 2 consolidates 28 education grant programs funded in Fiscal Year 1981 into a single authorization of grants to States. As stated in Section 561(a) of the ECIA, the programs consolidated are:

> (1) Titles II, III, IV, V, VI, VIII, and IX (except part C) of the Elementary and Secondary Education Act of 1965;
> (2) The Alcohol and Drug Abuse Education Act;
> (3) Part A and section 532 of title V of the Higher Education Act of 1965;
> (4) The Follow Through Act (on a phase basis);
> (5) The precollege science teacher training program administered by the Secretary of Education under section 3(a)(1) of the National Science Foundation Act of 1950; and
> (6) The Career Education Incentive Act.

Section 561(b) of Chapter 2 declares the legislative purpose of Chapter 2 to be the transfer of authority and responsibility to State and local educational agencies. It states:

> The basic responsibility for the administration of funds made available under this chapter is in the State educational agencies, but it is the intent of Congress that this responsibility be carried out with a minimum of paperwork and that the responsibility for the design and implementation of programs assisted under the chapter shall be mainly that of local educational agencies, school superintendents and principals, and classroom teachers and supporting personnel, because they have the most direct contact with students and are most directly responsible to parents.

The Secretary proposes regulations in this document that are designed to implement these purposes.

### b. Authority to issue Chapter 2 regulations

Chapter 2 does not require the Secretary to publish regulations to implement any of its provisions. In fact, Section 591(a) of the ECIA substantially limits the authority of the Secretary to issue regulations under Chapter 2. The Secretary is authorized to issue regulations only if they:

(1) Relate to the discharge of duties specifically assigned to the Secretary;

(2) Relate to proper fiscal accounting and payment methods; or

(3) Are deemed necessary "to reasonably insure that there is compliance with the specific requirements and assurances" in Chapter 2.

In accordance with these provisions, the Secretary concludes that regulations for the Chapter 2 program are needed only to cover the following subjects:

- How a State or local educational agency obtains funds under Chapter 2 (Subpart A);
- Fiscal requirements that a State or local educational agency must meet (Subpart B);
- How children enrolled in private schools participate in Chapter 2 programs (Subpart C); and
- Due process procedures (Subpart D).

The following paragraphs provide a summary description of the Chapter 2 statute and proposed regulations.

### c. Summary of program: distribution of funds to SEAs and LEAs.

Before a State may receive chapter 2 funds, the State must meet two requirements. First, it must establish a State Advisory Committee that meets the requirements for representation in section 564(a)(2) of Chapter 2. Section 564(a)(2) describes the composition and functions of the committee. The proposed regulations add no requirements to this statutory process. However, they do describe circumstances under which a State may use an existing organization to serve as the advisory committee.

The Secretary encourages Governors to appoint their State Advisory Committees as early as possible. Any pre-grant costs incurred for expenses of State Advisory Committees prior to July 1, 1982 may be paid from available resources and those accounts reimbursed after July 1 from a State's Chapter 2 funds. Also, those costs may be paid from funds appropriated in Fiscal Year 1981 to implement Title V–B of the Elementary and Secondary Education Act of 1965.

Second, the State must submit an application to the Secretary. The application must designate the State educational agency (SEA) as the State agency responsible for the administration and supervision of programs assisted under Chapter 2, set forth the planned allocation of funds in accordance with Section 564(a)(3), and meet other minimum statutory requirement contained in Section 564(a)(4)–(7). The Secretary requires no particular form of application.

After the Secretary checks to insure that the application meets the statutory requirements, the Secretary provides a grant award to the State for an amount computed on the basis of the school-age population in the State compared to the school-age populations of all States in accordance with Section 563 of Chapter 2.

Under Section 565, the State must distribute at least 80 percent of the funds it receives to the local educational agencies (LEAs) in the State in proportion to the relative enrollments in public and private schools in those agencies, "adjusted, in accordance with criteria approved by the Secretary, to provide higher per pupil allocations to local educational agencies which have the greatest numbers or percentages of children whose education imposes a higher than average cost per child * * *". The statute gives examples of these children but the examples are not exclusive. The Secretary proposes no regulations or standards for evaluating State criteria under Section 565. In carrying out this function, the Secretary will approve criteria that are reasonably calculated to produce an equitable distribution of funds. The Secretary encourages States to submit their criteria for approval prior to submission of their applications.

To receive its allocation from the SEA, an LEA must have on file with the SEA an application which "sets forth the planned allocation of funds * * *" in accordance with Section 566(a)(1) and meets other minimum statutory requirements stated in section 566. An SEA or LEA may use Chapter 2 funds for the purposes described in Subchapters A through C of Chapter 2. These three Subchapters are titled—

Subchapter A—Basic Skills Development;

Subchapter B—Educational Improvement and Support Services; and

Subchapter C—Special Projects.

Chapter 2 contains no set-asides or other requirements that an SEA or LEA allocate a particular portion of its funds to any of the purposes stated in Subchapters A through C. An SEA or LEA is free to distribute its funds among the range of purposes stated in these subchapters as it sees fit.

In general, the SEA is responsible for the administration and supervision of programs assisted with Chapter 2 funds. However, under section 566(c), each LEA has "complete discretion, subject only to the provisions of (Chapter 2), in determining how funds the agency receives * * * shall be divided among the purposes of (Chapter 2) in accordance with the application submitted under (Section 566(a))."

**d. Fiscal requirements.**

Section 585 of Chapter 2 contains provisions regarding maintenance of effort and use of Federal funds to supplement and not supplant State and local funds. Under section 585(a)(1), the combined fiscal effort per student or the aggregate expenditures within the State with respect to the provision of free public education for the preceding fiscal year must not be less than 90 percent of the combined fiscal effort per student or aggregate expenditures for the second preceding fiscal year. Section 585(a)(2) calls for proportional reduction of a State's Chapter 2 allocation if a State fails to meet this requirement. Section 585(a)(3) allows the Secretary to waive the requirement, for one year, if the waiver is equitable due to exceptional or uncontrollable circumstances. The Conference Report, however, indicates that the Secretary may not consider tax initiatives or referenda to be exceptional or uncontrollable circumstances. 127 Cong. Rec. H5645 (daily ed. 1981). Section 585(b) states the supplement, not supplant principle that applies to Chapter 2.

Because representatives of SEAs and LEAs, in meetings with staff members of the Department, have been particularly concerned regarding the need for guidance on these provisions and because section 585(c) of Chapter 2 specifically invites the issuance of regulations, the Secretary proposes to provide minimal regulations on a number of key points on these subjects. These regulations are designed to afford greater flexibility and maximum discretion to SEAs and LEAs in meeting the fiscal requirements described above. The pertinent proposed regulations are contained in Subpart B.

**e. Participation of children enrolled in private schools.**

Chapter 2 makes extensive provision for the equitable participation of children enrolled in private schools. Sections 586 (d) and (e) provide that the Secretary may arrange for services to private school children if an SEA or LEA is prohibited by law or "substantially failed or is unwilling" to provide equitable services for them.

Because Chapter 2 assigns to the Secretary a special duty regarding the equitable provision of Chapter 2 services to children enrolled in private schools, the Secretary proposes to give guidance in these regulations regarding a limited number of questions which have been frequently raised and which knowledgeable persons, including representatives of private school children, believe require clarification. This clarification is needed to insure full compliance with the specific provisions which Congress has enacted to protect the rights of private school children to share in Chapter 2 services.

Section 586 of Chapter 2 closely parallels the comparable statutory provisions for serving children enrolled in private schools in Title IV of the Elementary and Secondary Education Act. Accordingly, the Secretary has drawn on long-accepted principles in the regulations applicable to Title IV in responding to questions regarding the participation of private school children under Chapter 2. At the same time, in the interest of simplification and flexibility for SEAs and LEAs, the Secretary has simplified the regulations.

Among the matters clarified in the proposed Subpart C of these regulations are: responsibility of SEAs and LEAs to provide services; consultation with private school officials; determination of needs, number of children, and types of services; factors used in determining equitable participation; use of public school employees on other than public school premises; and public supervision and control of funds and equipment.

**f. Due process procedures.**

As indicated above, the Secretary proposes specific rules to afford due process protections to State and local educational agencies in the event that disputes arise in the following areas:

- By-pass determinations under section 586(d)-(h).
- Final audit determinations.
- Determinations to withhold funds under section 592.

By-pass procedures proposed in the regulations are designed to provide a brief procedural guide to enable an affected SEA or LEA to challenge a by-pass determination by the Secretary.

Procedures regarding audit disputes are modeled on current regulations providing SEAs with highly developed appeal rights in cases of adverse audit determinations. However, the proposed regulations under Chapter 2 shorten and simplify these procedures and specifically tailor them for the Chapter 2 program.

The proposed regulations provide for withholding proceedings under section 592 before the Education Appeal Board but require, in keeping with the mandate of section 592, that these proceedings be conducted in accordance with the provisions of the Administrative Procedure Act.

**g. Additional guidance.**

The Secretary has recognized a need and a responsibility to provide further non-regulatory guidance with respect to various questions that have been frequently raised by representatives of SEAs and LEAs. The Department of Education has conducted public meetings to respond to a number of these questions and to explain the provisions of Chapter 2.

The Secretary is also preparing, and plans to distribute widely, a document designed to provide further non-regulatory guidance with respect to the provisions in Chapter 2. It is expected that this material will provide information to enable SEAs and LEAs to carry out their increased responsibilities under Chapter 2 and will further advise these agencies of alternative approaches to meet the requirements of the statue. Commenters are invited to suggest matters that they believe should be covered in this document.

The guidance in the document will not be binding on SEAs and LEAs and will not foreclose alternative approaches that may be more in keeping with local needs and circumstances and that also meet the statutory requirements. It will clearly indicate that State and local officials are free to develop—indeed are encouraged to develop—alternative approaches to the examples discussed.

### h. Application of other statutes and regulations.

(1) As the Secretary interprets other applicable statutes, recipients of grant funds under Chapter 2 are recipients of Federal financial assistance under the civil rights laws. Therefore, those statutes, as well as regulations implementing those statutes, apply to Chapter 2 programs. The civil rights regulations are found in 34 CFR Parts 100, 104, and 106 and 45 CFR Part 90.

(2) As provided in section 596 of the ECIA, section 412(b) (the "Tydings Amendment") of the General Education Provisions Act (GEPA) which allows SEAs and LEAs to "carry over" Chapter 2 funds—that is, to use them either in the fiscal year for which the funds were appropriated or in the succeeding fiscal year—applies to Chapter 2.

As described in section 596 of the ECIA, Sections 434, 435, and 436 of GEPA relating to State monitoring and State and local general applications do not apply to Chapter 2 programs except to the extent that they relate to fiscal control and fund accounting procedures (including the title to property acquired with Federal funds). The provision in section 434 of GEPA which applies to Chapter 2 is in paragraph (a)(2) pertaining to the Secretary's discretionary authority to request a plan on audits. The Secretary has decided that it would be unduly burdensome to require such a plan.

Section 435 of GEPA applies to Chapter 2 only with respect to paragraphs (b)(2) and (b)(5), which pertain to two assurances concerning fiscal control and fund accounting procedures that are required to be filed in a "single State application." Section 436 of GEPA applies to Chapter 2 with regard to similar assurances in paragraphs (b)(2) and (b)(3) filed in "single local applications." If SEAs and LEAs have filed these applications, the assurances do not have to be filed again.

Except for the sections indicated above, the provisions in GEPA have been determined not to apply to programs under Chapter 2.

(3) Sections 1741 (relating to the distribution of block grant funds), 1742 (relating to reports on the proposed use of funds and public hearings), and 1743 (relating to transition provisions) of the Omnibus Budget Reconciliation Act of 1981 do not apply to Chapter 2. Sections 1744 (relating to access to records by the Comptroller General) and 1745 (relating to State auditing requirements) do apply, and their provisions have been incorporated in §§ 298.16 and 298.17 of this part.

(4) This notice of proposed rulemaking proposes that the Education Department General Administrative Regulations (EDGAR) do not apply to programs under Chapter 2. In particular, the provisions in 34 CFR Part 76, which deal with State-administered programs, and 34 CFR Part 74, which incorporates OMB Circulars A-21, A-87, A-102, and A-110, do not apply. Instead, States may apply equivalent procedures of their own for financial management and control of their programs. However, States continuing to use the provisions in 34 CFR Part 74 will be considered to be in compliance with the accountability provisions of Chapter 2. This document proposes an amendment to EDGAR to implement this policy. In addition, as indicated in § 298.2(c) of these proposed regulations, the definitions in 34 CFR Part 77 (definitions in EDGAR that apply generally to education programs) do not apply to Chapter 2 programs.

### i. Use of "carryover funds" from programs being consolidated.

The Secretary interprets section 514(b)(2)(B) of the Omnibus Education Reconciliation Act of 1981 to permit SEAs and LEAs that have unobligated funds on July 1, 1982 that were appropriated in an appropriation act for Fiscal Year 1981 and were intended for their use under the antecedent programs to retain these funds for expenditure and use. These funds are available for obligation until September 30, 1983 under section 412(b) of GEPA. Although section 514 requires SEAs and LEAs to expend and use their unobligated funds in accordance with the purposes of Chapter 2, the Secretary does not interpret this section to require these agencies to allocate their unobligated funds according to the formula in section 565(a) of Chapter 2. As a result, SEAs that have unobligated funds intended for their use under the antecedent programs, such as "State strengthening" funds under Title V of the Elementary and Secondary Education Act of 1965, may expend and use those funds in accordance with the purposes of Chapter 2 without distributing at least 80 percent of them to LEAs. Likewise, LEAs do not need to return their unobligated funds to the SEA for distribution under the Chapter 2 formula.

Under the Secretary's interpretation, unobligated funds are to be expended and used by those agencies for whose use under the antecedent programs the funds were intended. Thus, any categorical funds intended for LEAs in the 1981 appropriation but not awarded by SEAs as of July 1, 1982 shall be awarded to LEAs. These funds may be allocated in accordance with the distribution formula for the LEA portion of Chapter 2 funds or to those LEAs that would have received them under the antecedent programs.

Because section 514(b)(2)(B) only pertains to SEAs and LEAs, any institutions of higher education or other recipients of subgrants or contracts under the antecedent programs are not affected by section 514. Therefore, such subgrantees or contractors shall continue to operate their grants or contracts according to the terms and conditions under which they were received.

### Executive Order 12291

This notice of proposed rulemaking has been reviewed by the Department in accordance with Executive Order 12291 and is classified as non-major because it does not meet the criteria for major regulations established in the Order.

The purpose of Executive Order 12291 of February 17, 1981 is to relieve regulatory burdens. The Order requires the Department, when promulgating new regulations, to:

(a) Base administrative decisions on adequate information concerning the need for, and consequences of, proposed government action;

(b) Ensure that a regulation's benefits to society outweigh its costs to society;

(c) Choose regulatory objectives that maximize the net benefits to society; and

(d) Choose the regulatory approach involving the lowest net cost to society.

The Secretary has incorporated these requirements as part of the Department's procedures for promulgating regulations. To assist the Department in complying with the specific requirements of Executive Order 12291 and its overall requirements of reducing regulatory burden, public comment is especially invited on whether there may be further opportunities to reduce any regulatory burden found in this notice of proposed rulemaking.

### Invitation to Comment

Public comments are invited on this notice of proposed rulemaking. Written comments and recommendations may be sent to the contact person listed at the beginning of this preamble. All comments received on or before April 13, 1982 will be considered in revising the final regulations.

All comments submitted in response to this notice of proposed rulemaking will be available for public inspection, during and after the comment period, in Room 2181, 400 Maryland Avenue, SW, Washington, D.C., between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday of each week except Federal holidays.

### Regulatory Flexibility Act

The Secretary certifies that these proposed regulations will not have a significant economic impact on a substantial number of small entities. States and State educational agencies receiving Chapter 2 funds are not "small entities" as defined by the Regulatory Flexibility Act.

### Citation of Legal Authority

A citation of statutory or other legal authority is placed in parentheses on the line following each substantive provision of the proposed regulations.

(Catalog of Federal Domestic Assistance; not applicable)

Dated: February 8, 1982.

**T. H. Bell,**

*Secretary of Education.*

The Secretary proposes to add Part 298 to Title 34 of the Code of Federal Regulations as follows:

## PART 298—CHAPTER 2 OF THE EDUCATION CONSOLIDATION AND IMPROVEMENT ACT OF 1981

### Subpart A—How a State or Local Educational Agency Obtains Funds Under Chapter 2

Sec.
298.1 Purpose.
298.2 Definitions
298.3 General responsibilities of State and local educational agencies.
298.4 State applications.
298.5 Allotments to States of Chapter 2 funds.
298.6 State advisory committee.
298.7 LEA applications.
298.8 Allocations of Chapter 2 funds to LEAs.
298.9 Reallocation.
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### Subpart B—Fiscal Requirements That a State or Local Educational Agency Must Meet

298.11 Maintenance of effort.
Sec.
298.12 Waiver of the maintenance of effort requirement
298.13 Supplement, not supplant.
298.14 Availability of funds.
298.15 Recordkeeping requirements.
298.16 Access to records and audits.
298.17 State audits.
298.18 Compromise of audit claims.
298.19–298.20 [Reserved]

### Subpart C—How Children Enrolled in Private Schools Participate in Chapter 2 Programs

298.21 Responsibility of SEAs and LEAs.
298.22 Consultation with private school officials.
298.23 Needs, number of children, and types of services.
298.24 Factors used in determining equitable participation
298.25 Funds not to benefit a private school.
298.26 Use of public school employees.
298.27 Equipment and supplies.
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298.29–298.30 [Reserved]

### Subpart D—Due Process Procedures

#### Procedures for By-Pass

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298.47 Review of the written notice.
298.48 Acceptance of the application.
298.49 Rejection of the application.
298.50 Intervention.
298.51 Practice and procedure.
298.52 The Panel's decision.
298.53 Opportunity to comment on the Panel's decision.
298.54 The Secretary's decision.

**Authority:** Sec. 561–596 of Pub. L. No. 97–35, 95 Stat. 469–482 (20 U.S.C. 3811–3876), unless otherwise noted.

### Subpart A—How a State or Local Educational Agency Obtains Funds Under Chapter 2

#### § 298.1 Purpose.

The regulations in this part implement the consolidation of Federal program activities for elementary and secondary education at the State and local level contained in Subchapters A, B, and C of Chapter 2 of the Education Consolidation and Improvement Act of 1981 (Chapter 2).

(Sec. 561, 20 U.S.C. 3811)

#### § 298.2 Definitions.

(a) The following definitions contained in Section 595 of Chapter 3 of the Education Consolidation and Improvement Act of 1981 apply to the regulations in this part:

State
Secretary
State educational agency
Local educational agency
Parent
Free public education
Elementary school
Secondary schol
Construction
Equipment
School facilities

(b) Additional definitions pertaining to the due process procedures in §§ 298.41–298.54 are found in § 298.43 of these regulations.

(c) The definitions in 34 CFR Part 77 (definitions in EDGAR that apply generally to education programs) do not apply to the regulations in this part.

(Sec. 595, 20 U.S.C. 3875)

#### § 298.3 General responsibilities of State and local educational agencies.

(a) Except as provided in paragraph (b) of this section, a State educational agency (SEA)—

(1) Has the basic responsibility for the administration of funds made available under Chapter 2; and

(2) Is the State agency responsible for the administration and supervision of programs assisted with Chapter 2 funds.

(b) Section 566(c) of Chapter 2 provides that each local educational agency (LEA) has complete discretion, subject only to the provisions of Chapter 2, in determining how funds the agency receives under section 565(a) of Chapter 2 are divided among the purposes of Chapter 2 in accordance with the LEA's Chapter 2 application.

(Sec. 561(b), 20 U.S.C. 3811(b); sec. 564, 20 U.S.C. 3814; sec. 566(c), 20 U.S.C. 3816(c))

#### § 298.4 State applications.

(a) Any State that desires to receive a grant under Chapter 2 shall file an application with the Secretary that meets the requirements in Section 564 of Chapter 2.

(b) The application may be submitted in any form that the State determines is appropriate.

(Sec. 564, 20 U.S.C. 3814)

#### § 298.5 Allotments to States of Chapter 2 funds.

From the funds appropriated under Chapter 2 for any fiscal year, the Secretary:

(a) Reserves an amount that does not exceed one percent of the Chapter 2 appropriation for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands, to be allotted in accordance with their respective needs. If no more reliable data are available, the Secretary determines respective needs according to the relative enrollments in public and private schools within each territory;

(b) Reserves an additional amount that does not exceed six percent of the Chapter 2 appropriation to carry out the purposes of Subchapter D of Chapter 2 (Secretary's Discretionary program); and

(c) Allots to each State an amount that bears the same ratio to the amount remaining after the funds in paragraphs (a) and (b) of this section are reserved as the school-age population of the State bears to the school-age population of all States, except that no State receives less than 0.5 percent of the remaining funds.

(Sec. 563, 20 U.S.C. 3813)

### § 298.6 State advisory committee.

(a) Any State that desires to receive funds under this program shall establish an advisory committee that meets the requirements in section 564(a)(2) of Chapter 2.

(b) The Secretary interprets section 564(a)(2) of Chapter 2 to permit any existing organization, including a State board of education, to be the advisory committee for the purpose of paragraph (a) of this section if the organization:

(1) Is not the SEA under State law;

(2) Is appointed by the Governor to be the advisory committee; and

(3) Meets the representation requirements of section 564(a)(2) of Chapter 2.

(c) The State advisory committee advises the SEA on—

(1) The allocation among authorized functions of funds reserved for State use under section 565(a) of Chapter 2;

(2) The formula for the allocation of funds to LEAs; and

(3) The planning, development, support, implementation, and evaluation of State programs assisted under Chapter 2.

(Sec. 564, 20 U.S.C. 3814)

### § 298.7 LEA applications.

An LEA may receive its allocation of funds under Chapter 2 for any year for which it has on file with the SEA an application that meets the requirements in Section 566 of Chapter 2.

(Sec. 566, 20 U.S.C. 3816)

### § 298.8 Allocation of Chapter 2 funds to LEAs.

(a) An SEA shall distribute to each LEA that has submitted an application as required in § 298.7 the amount of its allocation as determined under paragraph (b) of this section.

(b) From the funds made available each year under Chapter 2, an SEA shall distribute not less than 80 percent to LEAs within the State according to the relative enrollments in public and nonpublic schools within the school districts of those agencies, adjusted, in accordance with criteria approved by the Secretary, to provide higher per pupil allocations to LEAs that have the greatest numbers or percentages of children whose education imposes a higher than average cost per child, such as—

(1) Children from low-income families;

(2) Children living in economically depressed urban and rural areas; and

(3) Children living in sparsely populated areas.

(c) In accordance with Section 565 of Chapter 2 and paragraph (b) of this section, an SEA must adjust its formula to provide higher allocations to LEAs with the greatest numbers or percentages of high cost children. The Secretary interprets Section 565 of Chapter 2 to require a State to provide an allocation to an LEA otherwise eligible even though it has no high cost children.

(d) The Secretary approves the SEA's criteria for adjusting allocations to LEAs if the criteria are consistent with Section 565 of Chapter 2 and reasonably calculated to produce an equitable distribution of funds.

(Sec. 565, 20 U.S.C. 3815)

### § 298.9 Reallocation.

(a) An SEA may reallocate to other LEAs Chapter 2 funds—

(1) From an LEA that has chosen not to participate or does not choose to expend the full amount made available to it; or

(2) That are recovered by the State based on a determination by the State that the LEA has failed to spend Chapter 2 funds in accordance with Federal law.

(b) A reallocation of funds under this section—

(1) May be made only during the fiscal year for which the funds were appropriated or during the succeeding fiscal year;

(2) Must be distributed consistent with the purposes of Chapter 2; and

(3) Must be spent consistent with the requirements in Chapter 2 and the regulations in this part.

(Sec. 565, 20 U.S.C. 3815)

### § 298.10 Use of Chapter 2 funds.

SEAs and LEAs may use Chapter 2 funds for any activities that are consistent with the purposes of Chapter 2, including—

(a) Basic skills development under Subchapter A;

(b) Educational improvement and support services under Subchapter B; and

(c) Special projects under Subchapter C.

(Sec. 571–582, 20 U.S.C. 3821–3842)

## Subpart B—Fiscal Requirements That a State or Local Educational Agency Must Meet

### § 298.11 Maintenance of effort.

(a) *Basic standard.* Except as provided in § 298.12, the Secretary pays a State its full allocation of funds under Chapter 2 if the Secretary finds that either the combined fiscal effort per student or the aggregate expenditures within the State with respect to the provision of free public education for the preceding fiscal year was not less than 90 percent of the combined fiscal effort per student or aggregate expenditures for the second preceding fiscal year.

(1) *Meaning of "preceding fiscal year."* For purposes of determining maintenance of effort, the "preceding fiscal year" is the Federal fiscal year or the twelve-month fiscal period most commonly used in a State for offical reporting purposes prior to the beginning of the Federal fiscal year for which funds are available.

**Example.**—For funds first made available on July 1, 1982, if a State is using the Federal fiscal year, the "preceding fiscal year" is Fiscal Year 1981.

(2)(i) *Expenditures to be considered.* The expenditures the Secretary considers in determining a State's compliance with the maintenance of effort requirement in this paragraph are State and local expenditures for free public education. These include expenditures for administration, instruction, attendance, health services, pupil transportation, plant operation and maintenance, fixed charges, and net expenditures to cover deficits for food services and student activities.

(ii) *Expenditures not to be considered.* The Secretary does not consider the following expenditures in determining a State's compliance with the maintenance of effort requirement in this paragraph:

(A) Any expenditures for community services, capital outlay, or debt services.

(B) Any expenditures of Federal funds.

(b) *Failure to maintain effort.* (1) If a State fails to maintain effort and a waiver under § 298.12 is not appropriate, the Secretary reduces the State's allocation of funds under Chapter 2 in the exact proportion to which the State fails to meet 90 percent of the State's combined fiscal effort per student or aggregate expenditures for the second preceding fiscal year.

(2) In determining maintenance of effort for the fiscal year immediately following the fiscal year in which the State failed to maintain effort, the Secretary considers the fiscal effort for the second preceding fiscal year to be 90 percent of the combined fiscal effort per student or aggregate expenditures for the third preceding fiscal year.

**Example.**—A State fails to maintain effort because its fiscal effort in the preceding fiscal year (1981) is less than 90 percent of its fiscal effort in the second preceding fiscal year (1980); then, in the following fiscal year, the State's fiscal effort in the second preceding year (1981) would be considered to be 90 percent of its fiscal effort in the third preceding fiscal year (1980).

(Sec. 585(a), 20 U.S.C. 3861(a))

### § 298.12 Waiver of the maintenance of effort requirement.

(a) *Waiver request.* A State that has not maintained its fiscal effort as required in § 298.11(a) may ask the Secretary to grant a waiver of that requirement by submitting a waiver request that includes—

(1) a statement of the combined fiscal effort per student and the aggregate expenditures for the two fiscal years being compared; and

(2) A description of the circumstances that the State considers to be exceptional or uncontrollable.

(b) *Secretary's criteria.* (1) The Secretary may grant a waiver, for one year only, of the maintenance of effort requirement in § 298.11(a) if the Secretary determines that the waiver is equitable due to exceptional or uncontrollable circumstances. Exceptional or uncontrollable circumstances include—

(i) A natural disaster;

(ii) A precipitous and unforeseen decline in the financial resources of the State; or

(iii) Other exceptional or uncontrollable circumstances.

(2) The Secretary does not consider tax initiatives or referenda to be exceptional or uncontrollable circumstances.

(c) *Effect of a waiver.* (1) If the Secretary grants a waiver under paragraph (b) of this section, the Secretary allocates to the affected State its full entitlement of Chapter 2 funds.

(2) In determining maintenance of effort for the fiscal year immediately following the fiscal year for which the waiver was granted, the Secretary considers the fiscal effort for the second preceding fiscal year to be 90 percent of the combined fiscal effort per student or aggregate expenditures for the third preceding fiscal year.

**Example.**—A State secures a waiver because its fiscal effort in the preceding fiscal year (1981) is less than 90 percent of its fiscal effort in the second preceding fiscal year (1980) due to exceptional or uncontrollable circumstances; then, in the following fiscal year, the State's fiscal effort in the second preceding fiscal year (1981) would be considered to be 90 percent of its fiscal effort in the third preceding fiscal year (1980).

(Sec. 585(a)(3), 20 U.S.C. 3861(a)(3))

### § 298.13 Supplement, not supplant.

An SEA or LEA that receives Chapter 2 funds:

(a) May use and allocate those funds only to supplement and, to the extent practical, increase the level of funds that would, in the absence of Federal funds made available under Chapter 2, be made available from non-Federal sources; and

(b) May not use Chapter 2 funds to supplant funds from non-Federal sources.

(Sec. 585(b), 20 U.S.C. 3861(b))

### § 298.14 Availability of funds.

(a) An SEA or LEA may obligate funds during the fiscal year for which the funds were appropriated and during the succeeding fiscal year.

(b) The time at which funds are considered to be obligated is determined according to standards commonly used in the State in which the SEA or LEA is located.

(Sec. 596, 20 U.S.C. 3876; Sec. 412(b) of GEPA, 20 U.S.C. 1225(b))

### § 298.15 Recordkeeping requirements.

(a) Section 564(a)(6) of Chapter 2 requires each State to keep records and provide information to the Secretary as may be required for fiscal audit and program evaluation, consistent with the responsibilities of the Secretary under Chapter 2.

(b) Under Section 566(a)(3) of Chapter 2, each LEA, in its aplication, must agree to keep records and provide information to the SEA as may reasonably be required for fiscal audit and program evaluation, consistent with the responsibilities of the SEA under Chapter 2.

(Sec. 564(a)(6), 20 U.S.C. 3814(a)(6); Sec. 566(a)(3), 20 U.S.C. 3816(a)(3))

### § 298.16 Access to records and audits.

For the purpose of evaluating and reviewing the use of Chapter 2 funds, the Inspector General of the Department and the Comptroller General are authorized to conduct audits and shall have access to any books, accounts, records, correspondence, or other documents that—

(a) Are related to programs assisted with Chapter 2 funds; and

(b) Are in the possession, custody, or control of SEAs, LEAs, or any grantees of SEAs or LEAs.

(Sec. 1744, 31 U.S.C. 1243 note; secs. 3, 4, and 6 of the Inspector General Act of 1978, Pub. L. No. 95-452 (5 U.S.C. App.); sec. 202 of the Intergovernmental Cooperation Act of 1968, Pub. L. No. 90-577 (42 U.S.C. 4212))

### § 298.17 State audits.

(a) *Basic requirement.* (1) In accordance with Section 1745 of the Omnibus Budget Reconciliation Act of 1981, each State shall conduct financial and compliance audits of Chapter 2 funds.

(2) A State may choose to follow the principles and procedures of OMB Circular A-102 to meet the audit requirements in this paragraph. If the State does so, it will be deemed to be in compliance with this paragraph.

(b) *Frequency of audit.* A State shall conduct the audits required by paragraph (a) of this section every two years. The first two-year period begins on July 1, 1982.

(c) *Audit standards.* Insofar as is practicable, a State shall conduct the audits required by paragraph (a) of this section in accordance with standards established by the Comptroller General for the audit of governmental organizations, programs, activities, and functions.

(d) *Audit remedy.* An LEA or any other subgrantee shall repay to the State the amount of Chapter 2 funds determined by the State not to have been spent in accordance with Federal law. Except to the extent that the State reallocates the funds recovered as authorized by § 298.9—or, in the case of funds reserved for State use, reobligates the funds through direct expenditures or an award to another recipient during the fiscal year for which the funds were appropriated or during the succeeding fiscal year—the State shall repay this amount to the United States.

(Sec. 1745, 31 U.S.C. 1243 note)

### § 298.18 Compromise of audit claims.

In deciding whether to compromise audit claims, or in recommending possible compromises to the

Departments of Justice, the Secretary may take into account—

(a) The cost of collecting the claim;

(b) The probability of the claim being upheld;

(c) The nature of the violation involved;

(d) Whether the practices of the SEA or LEA that resulted in the audit finding have been corrected;

(e) Whether the SEA or LEA is in all other respects in compliance with Chapter 2; and

(f) The extent to which the SEA or LEA agrees to use non-Federal funds to supplement Chapter 2 programs.

(Sec. 564(a)(6), 20 U.S.C. 3814(a)(6); Federal Claims Collection Act, 31 U.S.C. 951 *et seq.*; 4 CFR Part 103)

### §§ 298.19–298.20 [Reserved]

## Subpart C—How Children Enrolled in Private Schools Participate in Chapter 2 Programs

### § 298.21 Responsibility of SEAs and LEAs.

(a)(1) An LEA shall provide children enrolled in private schools in that LEA with such services, materials, and equipment or other benefits as will assure equitable (as compared to children enrolled in public schools) participation of such private school children in the purposes and benefits of Chapter 2 in accordance with the requirements in §§ 298.22–298.29 and Section 586 of Chapter 2.

(2) The LEA shall provide the opportunity to participate in a manner that is consistent with the number and needs of private school children in the school district of the LEA.

(3) The LEA shall exercise administrative direction and control over Chapter 2 funds and property that benefit children enrolled in private schools.

(4) Provision of services to children enrolled in private schools must be provided by employees of a public agency or through a contractor which is independent of the private school and of any religious organization.

(b)(1) An SEA shall ensure that each LEA complies with the requirements in §§ 298.22–298.29.

(2) If an SEA or a subgrantee or a contractor of an SEA or LEA conducts instructional programs or personnel training programs, it shall comply with these requirements as if it were an LEA.

(c) Under Sections 564(a)(3) and 566(a)(1) of Chapter 2, an application by an SEA or LEA must contain the planned allocation of funds required to implement Section 586.

(d) In accordance with Section 586(a)(1) of Chapter 2, the regulations in this subpart only apply to children enrolled in nonprofit private schools.

(Sec. 586, 20 U.S.C. 3862)

### § 298.22 Consultation with private school officials.

(a) An LEA receiving Chapter 2 funds shall consult with appropriate private school officials regarding the development and implementation of the Chapter 2 program before the LEA makes any decision that affects the opportunities of private school children to participate in the program.

(Sec. 586(a), 20 U.S.C. 3862(a))

### § 298.23 Needs, number of children, and types of services.

An LEA shall determine the following matters on a basis comparable to that used by the LEA in providing for participation of public school children:

(a) The needs of children enrolled in private schools.

(b) The number of those children who will participate in a Chapter 2 program.

(c) The Chapter 2 services that the LEA will provide to those children.

(Sec. 586, 20 U.S.C. 3862)

### § 298.24 Factors used in determining equitable participation.

(a) *Equal expenditures.* Expenditures for Chapter 2 programs for children enrolled in private schools must be equal (consistent with the number of children to be served) to expenditures for Chapter 2 programs for children enrolled in the public schools of an LEA, taking into account the needs of the individual children and other factors that relate to such expenditures.

(b) *Other factors.* (1) *Services on an equitable basis.* An LEA shall provide for the participation in the Chapter 2 program of children enrolled in private schools on an equitable basis. In determining whether an LEA is providing for participation on an equitable basis, the services provided to private school children and the services provided to public school children are considered.

(2) *Same services.* If an LEA uses Chapter 2 funds to concentrate programs for public school children in a particular group, attendance area, or grade or age level, the LEA shall insure equitable opportunities for participation by children enrolled in private schools who—

(i) Have the same needs as the public school children to be served; and

(ii) Are in that group, attendance area, or grade or age level.

(3) *Different services.* If the needs of children enrolled in private schools are different from the needs of children enrolled in public schools, an LEA shall provide Chapter 2 services for the private school children that address their needs on an equitable basis.

(Sec. 586, 20 U.S.C. 3862)

### § 298.25 Funds not to benefit a private school.

(a) An LEA may only use Chapter 2 funds to provide services that supplement the level of services that would, in the absence of Chapter 2 services, be available to children enrolled in a private school.

(b) An LEA shall use Chapter 2 funds to meet the needs of children enrolled in private schools, but not for the purpose of aiding the private school.

(Sec. 586, 20 U.S.C. 3862)

### § 298.26 Use of public school employees.

An LEA may use program funds to make public employees available in other than public facilities—

(a) To the extent necessary to provide equitable Chapter 2 services designed for children enrolled in a private school; and

(b) If those services are not normally provided by the private school.

(Sec. 586, 20 U.S.C. 3862)

### § 298.27 Equipment and supplies.

(a) To meet the requirements of Section 586(c) of Chapter 2, a public agency must keep title to and exercise continuing administrative control of all equipment and supplies that the LEA acquires with Chapter 2 funds.

(b) The public agency may place equipment and supplies in a private school for the period of time needed for the program.

(c) The public agency shall insure that the equipment or supplies placed in a private school—

(1) Are used for Chapter 2 purposes;

(2) Are used for secular, neutral, and nonideological purposes; and

(3) Can be removed from the private school without remodeling the private school facility.

(d) The public agency shall remove equipment or supplies from a private school if—

(1) The equipment or supplies are no longer needed for Chapter 2 purposes; or

(2) Removal is necessary to avoid use of the equipment or supplies for other than Chapter 2 purposes.

(e) For the purpose of this section, the term "public agency" includes the LEA.

(Sec. 586, 20 U.S.C. 3862)

### § 298.28 Construction.

No Chapter 2 funds may be used for the construction of private school facilities.

(Sec. 586, 20 U.S.C. 3862)

### § 298.29–298.30 [Reserved]

## Subpart D—Due Process Procedures

### Procedures for By-Pass

### § 298.31 By-pass—General.

(a) The Secretary implements a by-pass if an SEA or LEA—

(1) Is prohibited by law from providing Chapter 2 services for private school children on an equitable basis; or

(2) Has substantially failed, or is unwilling, to provide services for private school children on an equitable basis.

(b) If the Secretary implements a by-pass, the Secretary waives an SEA's or LEA's responsibility for providing Chapter 2 services for private school children and arranges to provide the required services. Normally, the Secretary hires a contractor to provide the Chapter 2 services for private school children under a by-pass. The Secretary deducts the cost of these services, including any administrative costs, from the appropriate allotment of Chapter 2 funds provided to the State.

(Sec. 586(d), (e), and (g), 20 U.S.C. 3862(d), (e), and (g))

### § 298.32 Notice by Secretary.

(a) Before taking any final action to implement a by-pass, the Secretary provides the affected SEA and LEA with written notice.

(b) In the written notice, the Secretary—

(1) States the reasons for the proposed by-pass in sufficient detail to allow the SEA and LEA to respond;

(2) Cites the requirement that is the basis for the alleged failure to comply; and

(3) Advises the SEA and LEA that they have at least 45 days to submit written objections to the proposed by-pass and to request in writing the opportunity for a hearing to show cause why the by-pass should not be implemented.

(c) The Secretary sends the notice to the SEA and LEA by certified mail with return receipt requested.

(Sec. 586(h), 20 U.S.C. 3862(h))

### § 298.33 By-pass procedures.

Sections 298.34–298.36 contain the procedures which the Secretary uses in conducting a show cause hearing. These procedures may be modified by the hearing officer if all parties agree it is appropriate to modify them for a particular case.

(Sec. 586(h), 20 U.S.C. 3862(h))

### § 298.34 Appointment and functions of a hearing officer.

(a) If an SEA or LEA requests a show cause hearing, the Secretary appoints a hearing officer and notifies appropriate representatives of the affected private school children that they may participate in the hearing.

(b) The hearing officer has no authority to require or conduct discovery, or to rule on the validity of any statute or regulation.

(c) The hearing officer notifies the SEA, LEA, and representatives of the private school children of the time and place of the hearing.

(Sec. 586(h), 20 U.S.C. 3862(h))

### § 298.35 Hearing procedures.

(a) At the hearing, a transcript is taken. The SEA, LEA, and representatives of the private school children each may be represented by legal counsel, and each may submit oral or written evidence and arguments at the hearing.

(b) Within ten days after the hearing, the hearing officer indicates that a decision will be issued on the basis of the existing record, or requests further information from the SEA, LEA, representatives of the private school children, or Department officials.

(Sec. 586(h), 20 U.S.C. 3862(h))

### § 298.36 Post hearing procedures.

(a) Within 120 days after the hearing record is closed, the hearing officer issues a written decision on whether the proposed by-pass should be implemented. The hearing officer sends copies of the decision to the SEA, LEA, representatives of the private school children, and the Secretary.

(b) The SEA, LEA, and representatives of the private school children each may submit written comments on the decision to the Secretary within thirty days from receipt of the hearing officer's decision.

(c) The Secretary may adopt, reverse, or modify the hearing officer's decision.

(Sec. 586(h), 20 U.S.C. 3862(h))

### §§ 298.37—298.40 [Reserved]

### Other Due Process Procedures

### § 298.41 General.

Sections 298.41–298.54 contain rules for the conduct of:

(a) Proceedings for the review of final audit determinations arising under Chapter 2; and

(b) Withholding hearings arising under Chapter 2.

(Sec. 564(a)(6), 20 U.S.C. 3814(a)(6); Sec. 592, 20 U.S.C. 3872)

### § 298.42 Jurisdiction.

The Secretary designates the Education Appeal Board to hear proceedings for the review of final audit determinations and withholding hearings under Chapter 2.

(Sec. 564(a)(6), 20 U.S.C. 3814(a)(6); 34 CFR Part 78)

### § 298.43 Definitions.

For the purposes of §§ 298.41–298.54, the following definitions apply:

"Appellant" means an SEA that requests—

(a) A review of the final audit determination; or

(b) A withholding hearing.

"Authorized Department official" means—

(a) The Secretary; or

(b) A person employed by the Department who has been designated to act under the Secretary's authority.

"Board" means the Education Appeal Board of the Department.

"Board Chairperson" means the Board member designated by the Secretary to serve as administrative officer of the Board.

"Final audit determination" means a written notice issued by an authorized Department official disallowing expenditures made by a recipient under Chapter 2.

"Hearing" means any review proceeding conducted by the Board.

"Panel" means an Education Appeal Board Panel, consisting of at least three members of the Board designated by the Board Chairperson to sit in any case.

"Panel Chairperson" means the person designated by the Board Chairperson to serve as the presiding officer of a Panel.

"Party" means—

(a) The recipient requesting or appearing at a hearing under these regulations;

(b) The authorized Department official who issued the final audit determination being appealed or the notice of an intent to withhold funds; or

(c) Any person, group, or agency that files an acceptable application to intervene.

"Recipient" means the named party or entity that initially received Federal funds under Chapter 2.

"Withholding" means stopping payment of Federal funds under Chapter 2 to a recipient and stopping the recipient's authority to charge costs under Chapter 2.

(Sec. 564(a)(6), 20 U.S.C. 3814(a)(6); 20 U.S.C. 1234(a))

### § 298.44 Eligibility for review.

(a) Review under these regulations is available to a recipient that receives a written notice from an authorized Department official of:

(1) A final audit determination; or

(2) An intent to withhold funds.

(Sec. 564(a)(6), 20 U.S.C. 3814(a)(6); sec. 592, 20 U.S.C. 3872)

### § 298.45 Written notice.

(a) *Written notice of a final audit determination.* (1) An authorized Department official issues a written notice of a final audit determination to a recipient in connection with Chapter 2.

(2) In the written notice, the authorized Department official;

(i) Lists the disallowed expenditures made by the recipient;

(ii) Indicates the reasons for the final audit determination in sufficient detail to allow the recipient to respond;

(iii) Cites the requirements that are the basis for the alleged failure to comply; and

(iv) Advises the recipient that it must repay the disallowed expenditures to the Department or, within 30 calendar days of its receipt of the written notice, request a review by the Board of the final audit determination.

(3) The authorized Department official sends the written notice to the recipient by certified mail with return receipt requested.

(b) *Written notice of an intent to withhold.* (1) An authorized Department official issues a written notice to a recipient under Chapter 2 of an intent to withhold funds.

(2) In the written notice, the authorized Department official:

(i) Indicates the reasons why the recipient failed to comply substantially with a requirement that applies to the funds;

(ii) Cites the requirement that is the basis for the alleged failure to comply; and

(iii) Advises the recipient that it may request a hearing before the Board.

(3) The authorized Department official sends the written notice to the recipient by certified mail with return receipt requested.

(Sec. 564(a)(6), 20 U.S.C. 3814(a)(6), sec. 592, 20 U.S.C. 3872)

### § 298.46 Filing an application for review of a final audit determination or a withholding hearing.

(a) An appellant seeking review of a final audit determination or a withholding hearing shall file a written application with the Board Chairperson no later than 30 calendar days after the date it receives written notice.

(b) In the application, the appellant shall attach a copy of the written notice and shall, to the satisfaction of the Board Chairperson;

(1) Identify the issues and facts in dispute; and

(2) State the appellant's position, together with the pertinent facts and reasons supporting that position.

(Sec. 564(a)(6), 20 U.S.C. 3814(a)(6); sec. 592, 20 U.S.C. 3872)

### § 298.47 Review of the written notice.

(a) The Board Chairperson reviews the written notice of the final audit determination or the intent to withhold funds after an application is received under § 298.46 to insure that the written notice meets the applicable requirements in §298.45.

(b) If the Board Chairperson decides that the written notice does not meet the applicable requirements in § 298.45, the Board Chairperson returns the determination to the official who issued it so that the determination may be properly modified.

(c) If the official makes the appropriate modifications and the recipient wishes to pursue its appeal to the Board, the recipient shall amend its application within 30 calendar days of the date it receives the modification.

(Sec. 564(a)(6), 20 U.S.C. 3814(a)(6); sec. 592, 20 U.S.C. 3872)

### § 298.48 Acceptance of the application.

If the appellant files an application that meets the requirements of § 298.46, the Board Chairperson:

(a) Issues, within 45 days of receiving the application, a notice of the acceptance of the application to the appellant and the authorized Department official who issued the written notice;

(b) Refers the appeal to a Panel;

(c) Arranges for the scheduling of initial proceedings; and

(d) Forwards to the Panel and parties an initial hearing record that includes:

(1) The written notice;

(2) The appellant's application; and

(3) Other relevant documents, such as audit reports.

(Sec. 564(a)(6), 20 U.S.C. 3814(a)(6); sec. 592, 20 U.S.C. 3872)

### § 298.49 Rejection of the application.

(a) If the Board Chairperson determines that an application does not satisfy the requirements of § 298.46, the Board Chairperson, within 45 days of receiving the application, returns the application to the appellant, together with the reasons for the rejection, by certified mail with return receipt requested.

(b) The appellant has 20 calendar days after the date it receives the notice of rejection to file an acceptable application.

(c) If an application is rejected twice, the Department may take appropriate administrative action to:

(1) Collect the expenditure disallowed in the final audit determination; or

(2) Withold funds.

(Sec. 564(a)(6), 20 U.S.C. 3814(a)(6); sec. 592, 20 U.S.C. 3872)

### § 298.50 Intervention.

(a) A person, groups, or agency with an interest in and having relevant information about a case before the Board may file with the Board Chairperson an application to intervene.

(b) The application to intervene shall contain:

(1) A statement of the applicant's interest; and

(2) A summary of the relevant information.

(c)(1) If the application is filed before a case is assigned to a Panel, The board Chairperson decides whether approval of the application to intervene will aid the Panel in its disposition of the case.

(2) If the application is filed after the Board Chairperson has assigned the case to a Panel, the Panel decides whether approval of the application to intervene will aid the Panel in its disposition of the case.

(d) The Board Chairperson notifies the applicant seeking to intervene and the other parties of the approval or disapproval of the application to intervene.

(e) If an application to intervene is approved, the intervenor becomes a party to the proceedings.

(f) If an application to intervene is disapproved, the applicant may submit to the Board Chairperson an amended application to intervene.

(Sec. 564(a)(6), 20 U.S.C. 3814(a)(6); sec. 592, 20 U.S.C. 3872)

### § 298.51 Practice and procedure.

(a) Practice and procedure before the Board in a proceeding for review of a final audit determination are governed by the rules in Subpart E of 34 CFR Part 78.

(b) Practice and procedure before the Board in a withholding hearing are governed by the procedures in the Administrative Procedure Act, 5 U.S.C. 554.

(Sec. 564(a)(6), 20 U.S.C. 3814(a)(6); sec. 592, 20 U.S.C. 3872)

### § 298.52 The Panel's decision.

(a) The Panel issues a decision, based on the record as a whole, in an appeal from a final audit determination, or from a notice of an intent to withhold funds, within 180 days after receipt of the parties' final submissions, unless the Board Chairperson, for good cause shown, determines that issuance of the decision within such time in inappropriate.

(b) The Board Chairperson submits the Panel's decision to the Secretary and sends a copy to each party by certified mail with return receipt requested.

(Sec. 564(a)(6), 20 U.S.C. 3814(a)(6); sec. 592, 20 U.S.C. 3872)

**§ 298.53 Opportunity to comment on the Panel's decision.**

(a) *Initial comments and recommendations.* Each party has the opportunity to file comments and recommendations on the Panel's decision with the Board Chairperson within 30 calendar days of the date the party receives the Panel's decision.

(b) *Responsive comments and recommendations.* The Board Chairperson sends a copy of a party's initial comments and recommendations to each of the other parties by certified mail with return receipt requested. Each party may file responsive comments and recommendations with the Board Chairperson within 15 days of the date the party receives the initial comments and recommendations.

(c) The Board Chairperson forwards the parties' initial and responsive comments on the Panel's decision to the Secretary.

(Sec. 564(a)(6), 20 U.S.C. 3814(a)(6); sec. 592, 20 U.S.C. 3872)

**§ 298.54 The Secretary's decision.**

(a) The Panel's decision becomes the final decision of the Secretary 90 calendar days after the date the recipient receives the Panel's decision unless the Secretary, based on the record, modifies or sets aside the Panel's decision.

(b) If the Secretary modifies or sets aside the Panel's decision within the 90 days, the Secretary issues a decision that—

(1) Includes a statement of the reasons for this action; and

(2) Becomes the Secretary's final decision 60 calendar days after it is issued.

(c) In proceedings involving an appeal from a final audit determination or an intent to withhold funds, to the extent feasible, but consistent with the Secretary's obligation to enforce compliance with Chapter 2, the Secretary defers to a State's interpretation of the statutory requirements under Chapter 2.

(d) The Board Chairperson sends a copy of the Secretary's final decision and statement of reasons, or a notice that the Panel's decision has become the Secretary's final decision, to the Panel and to each party.

(e) The final decision of the Secretary is the final decision of the Department.

(Sec. 564(a)(6), 20 U.S.C. 3814(a)(6); sec. 592, 20 U.S.C. 3872)

The Secretary proposes to amend Title 34 of the Code of Federal Regulations as follows:

## PART 74—ADMINISTRATION OF GRANTS

1. In 34 CFR 74.4 (administration of grants in EDGAR), by revising paragraph (a) to read as follows:

**§ 74.4 Applicability of this part.**

(a) *General.* Except where inconsistent with Federal statutes, regulations, or other terms of a grant, this part applies to all ED grants. However, this part does not apply to the program authorized under Chapter 2 of the Education Consolidation and Improvement Act of 1981. Further, unless expressly made applicable by ED, this part does not apply when the grantee is a Federal agency, foreign government or organization, international organization such as the United Nations, for profit organization, or individual.

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## PART 76—STATE ADMINISTERED PROGRAMS

2. In 34 CFR 76.1 (general education regulations for State-administered programs), by adding a new paragraph (c) to read as follows:

**§ 76.1 Programs to which Part 76 applies.**

* * * * *

(c) The regulations in Part 76 do not apply to the program authorized under Chapter 2 of the Education Consolidation and Improvement Act of 1981.

## PART 78—EDUCATION APPEAL BOARD

3. In 34 CFR 78.42 (Education Appeal Board regulations), by revising paragraph (b) and adding a new paragraph (c) to read as follows:

**§ 78.42 Applicability of other laws and regulations.**

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(b) Other provisions of the Administrative Procedure Act and the Federal Rules of Civil Procedure do not apply to proceedings before the Board, except as provided in paragraph (c) of this section.

(c) In conducting hearings concerning expenditures under Chapter 2 of the Education Consolidation and Improvement Act of 1981, the Board applies the regulations in 34 CFR 298.41–298.54.

(20 U.S.C. 1234(e))

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Improvement Act
Chapter 2

# APPENDIX B

## Elementary and Secondary Education Programs Under Education Consolidation and Improvement Act , Chapter 2: Purposes and Activities

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# Elementary and Secondary Education Programs Under

# EDUCATIONAL CONSOLIDATION AND IMPROVEMENT ACT

## CHAPTER 2

DEPARTMENT OF EDUCATION
UNITED STATES OF AMERICA

## PURPOSES AND ACTIVITIES

# INTRODUCTION

Chapter 2 of the Educational Consolidation and Improvement Act of 1981 authorizes State and local educational agencies to use its funds for any purpose of programs consolidated by the Act and identified in Subchapters A, B, and C. To enable SEAs and LEAs to have the purposes of these programs in a convenient package, this material has been prepared. In addition to the purposes, for your convenience and stimulation the material also contains the activities listed in the antecedent statutes. Grantees are required only to follow the antecedent purposes in designing their programs, not the prior laws, requlations or activities. Including these activities is not intended to limit the use of Chapter 2 funds by SEAs and LEAs. They are intended to clarify and provide additional information about the purposes of the Subchapters and their antecedent programs.

If SEAs and LEAs wish additional information or other technical assistance authorized by Section 591(b) of Chapter 3 of the Educational Consolidation and Improvement Act, they are invited to send their requests to Shirley A. Jackson, Acting Director, Educational Support Programs, U.S. Department of Education, 400 Maryland Avenue, S.W., Washington, D.C. 20202.

# SUBCHAPTER A

# BASIC SKILLS DEVELOPMENT

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Program : Basic Skills Improvement

Authority : Elementary and Secondary Education Act of 1965, Title II

Purposes : PART A

- To coordinate resources to improve elementary and secondary education so that all children are able to master the basic skills of reading, mathematics, and written and oral communication.
- To encourage the development of comprehensive and systematic plans for improving basic skills achievement.
- To develop means by which parents working with schools can contribute to the improvement of education achievement.
- To encourage private sector involvement in the delivery to children, youth and adults of services and materials that will improve achievement in the basic skills.
- To expand the use of television and technology in the delivery of instruction to improve basic skills achievement.

Activities :

- To demonstrate improved delivery of instructional services in basic skills, such as
  - assessing schoolwide needs;
  - establishing learning goals and objectives;
  - developing comprehensive programs;
  - demonstrating techniques for coordinating;
  - providing preservice training for teaching and ancillary personnel and inservice training and development programs to improve their ability to teach basic skills;
  - involving educational personnel to improve their ability to use available services.
- To enlist the assistance of parents and volunteers working with schools to improve the skills of children in reading, mathematics and oral and written communication, such as
  - developing and disseminating materials that, with appropriate training, parents may use in the home to improve their children's performance in the skills; and
  - training parents to encourage them to assist children in basic skills development.

- To expand the variety and improve the quality of instructional efforts involving the use of technology, such as
  - developing and acquiring educational programming including AV materials distributed through broadcast, cable, tape, film, cassettes, etc. that provide instruction in basic skills in an effective manner;
  - developing and acquiring instructional materials that supplement those described above;
  - developing and acquiring materials to assist teachers in relating audiovisual programs to instruction in the classroom;
  - training teachers, administrators and other instructional personnel in the use of educational technology;
  - assisting experimentation with new technological approaches; and
  - distributing information about and promoting the use of technology in the classroom and other environments.
- To assist and inform local educational agencies, institutions of higher education, private agencies, organizations and institutions to support their efforts to stimulate children, youth and adults to improve basic skill achievement, such as
  - Book distribution programs
  - Instructional programs and voluntary tutorial programs outside of school (reading academies) for children, youth, and adults;
  - Community efforts for basic skill improvement; and
  - Establishment of book lending and spelling programs.
- To collect, analyze and disseminate information on successful activities.
- To establish effective and efficient procedures for coordination between programs.

Purposes : PART B

- To develop comprehensive and systematic statewide plans for improving achievement in the basic skills and to coordinate available resources for elementary and secondary education so that all children are able to master the basic skills of reading, mathematics, and written and oral communication.
- To assist local agencies in developing and implementing comprehensive programs to improve basic skills proficiency and instruction in the elementary and secondary schools.

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- To develop means by which parents working with the schools can contribute to improving the educational achievement of their children.
- To provide State leadership in the planning, execution, and evaluation of basic skills instructional programs in elementary and secondary schools.
- To arrange for and assist in the training of educational staff, including special reading and mathematics personnel and specialists, needed in basic skills programs.

Activities :

- To develop and disseminate materials that parents may use in the home to improve their children's performance in those skills.
- To encourage closer contacts between parents and teachers to inprove coordination between learning experiences in the home and those in school.
- To plan centers accessible to parents that provide materials and professional guidance, including volunteers, for parents who desire to assist in the instruction of their children.
- To demonstrate training programs for parents who desire to develop new skills to complement the instruction their children receive in school.
- To develop a comprehensive statewide program providing for the coordination of all Federal and State programs that provide instruction in basic skills.
- To involve local administrators, teachers, and parents in the development of strategies to improve instruction in basic skills.
- To assess statewide needs relating to basic skills, including the needs of both students and instructional personnel.
- To provide inservice training for local administrators, instructional personnel, and other staff members involved in instruction in basic skills.
- To provide technical assistance and information to local education agencies and other organizations and institutions involved in instruction of basic skills.

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Purpose : PART C

- To conduct, in cooperation with one or more local educational agencies, special programs for the teaching of standard mathematics to children eligible for services under title I and VI of the Elementary and Secondary Education Act through instruction by qualified instructors with bachelor's degrees in mathematics, or the mathematical sciences from institutions of higher education, or equivalent experience.

# SUBCHAPTER B

# EDUCATIONAL IMPROVEMENT AND SUPPORT SERVICES

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**Program** : Instructional Materials and School Library Resources

**Authority** : Elementary and Secondary Education Act of 1965, Title IV, Part B

**Purposes** :

- To acquire school library resources, textbooks, and other printed and published materials which are to be used only for the education of elementary and secondary school students.
  - "School library resources" means printed and published materials that are cataloged or organized for the instructional use of children and teachers. The term includes books, periodicals, documents, pamphlets, reproductions, pictorial or graphic works, musical scores, maps, charts, globes, sound recordings, processed slides, transparencies, films, filmstrips, video tapes and discs, or any other printed or audiovisual materials of a similar nature.
  - "Textbook" means a book, reusable workbook, or manual, whether bound or in looseleaf form, intended for use as a principal source of study material for a given class or group of students, a copy of which is expected to be available for the individual use of each student in the class or group.
- To acquire instructional equipment and materials which are to be used only for the education of elementary and secondary school students in academic subjects.
  - "Instructional equipment" means equipment that is appropriate for use in providing education in academic subjects in elementary and secondary schools. Depending upon use, typical examples of instructional equipment include—
    - (a) Laboratory or other special equipment that contributes directly to the objectives of an instructional program;
    - (b) Electronic or mechnical audiovisual equipment, such as audio and computer devices and TV monitors;
    - (c) Equipment for the storage and protection of instructional materials and equipment; and
    - (d) Equipment for the maintenance and repair of audiovisual materials.
  - "Instructional materials" means school library resources, textbooks, realia (artifacts, dioramas, games, models, and educational toys), raw materials for the preparation of instructional resources, and all printed and published materials that are suitable for providing instruction in elementary and secondary schools. Instructional materials are, with reasonable care, expected to last more than one year.

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- "Academic subjects" means, but is not limited to, the following elementary and secondary school subjects: the arts, civics, economics, English, geography, history, the humanities, industrial arts, mathematics, foreign languages, reading, and science.

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Program : Improvement in Local Educational Practice

Authority : Elementary and Secondary Education Act of 1965, Title IV, Part C

Purposes :

- To address educational problems of students with special needs: for example, children who are educationally deprived, gifted and talented, and handicapped; and children who do not complete secondary school.
- To improve the means of carrying out programs for educationally and economically deprived students.
- To improve the achievement of children in basic skills.
- To encourage parents to participate in the education of their children.
- To diagnose learning problems and assess the educational achievement of children.
- To develop models which demonstrate the means to improve school management and to coordinate available Federal, State, and local resources in a way which meets the needs of every child in the school.
- To provide professional development for teachers, administrators, and other instructional personnel.
- To identify potential barriers to learning, to educate parents in child development, to provide home based programs and referral services for children who are below age six and not yet enrolled in kindergarten.
- To use other community resources, such as museums, businesses, cultural organizations, labor unions, and government agencies.
- To encourage innovation and improvement in compensatory education: for example,
    - To conduct summer bridge programs which enable students to continue educational improvement during the summer in order to build on their progress made during the regular school year;

- To provide training for parents which promotes partnership between parents and teachers and which helps parents develop skill to motivate and assist their children;
- To improve the skills of teachers and other educational personnel enabling them to meet better the educational needs of children they serve; and
- To develop educational materials which children can use at home to improve their achievement in basic skills.

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**Program** : Guidance, Counseling, and Testing

**Authority** : Elementary and Secondary Education Act of 1965, Title IV, Part D

**Purposes** :

- To provide State leadership and supervisory services in guidance, counseling, and testing.
- To provide guidance, counseling, and testing services in local elementary and secondary schools, such as
  - Elementary and secondary school counseling;
  - Inservice training for guidance and counseling personnel;
  - Supervision and leadership;
  - Planning and development;
  - Special guidance and counseling services for disadvantaged students; and
  - Student testing, which means the use of tests to measure abilities, educational achievements, interests, or aptitudes pertaining to an individual's educational or career development.

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**Program** : Strengthening State Educational Agency Management

**Authority** : Elementary and Secondary Education Act of 1965, Title V, Part B

**Purpose** :

- To strengthen the educational leadership resources of a State educational agency and to assist the agency in identifying and meeting the critical educational needs of the State.

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Activities :

- To develop more equitable means of financing education in the state.
- To provide resources to other branches of the State government to conduct analyses of educational issues facing the State.
- To develop statewide programs to assess the educational progress of students in the State, including testing programs and other methods of assessing student achievement in reading, writing, and mathematics.
- To provide technical assistance to local educational agencies for improving planning, management of State and Federal programs, citizen involvement, and staff development.
- To provide technical assistance to local educational agencies for improving their instructional programs, including programs that enable parents to assist in the instruction of their children at home.
- To conduct workshops, conferences, and other means of providing communication among educators and between educators and the public.
- To disseminate information concerning effective educational practices.
- To coordinate public educational programs with those carried out in private nonprofit elementary and secondary schools in the State, and to monitor the requirements of Federal programs with respect to the participation of private school children in these programs.
- To support professional development of employees of the State educational agency.
- To develop curricular materials and programs.

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Program : Emergency School Aid Act

Authority : Elementary and Secondary Education Act of 1965, Title VI, Sections 601-617

Purposes :

- To meet the special needs incident to the elimination of minority group segregation and discrimination among students and faculty in elementary and secondary schools.

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- To encourage the voluntary elimination, reduction, or prevention of minority group isolation in elementary and secondary schools with substantial proportions of minority group students.

Activities : A. Basic Grants

- To train school staff and local educational agency staff in the handling of problems incident to the implementation of a qualifying desegregation plan.
- To provide additional staff members (including teacher aides) to assist in meeting educational needs that arise from the implementation of the plan.
- To develop or acquire new curricula, methods, practices, techniques, or materials to support a program of instruction for children from all racial, ethnic, and economic backgrounds, including instruction in the language and cultural heritage of minority groups.
- To develop innovative educational activities, including extracurricular activities, which involve the joint participation of minority group children and other children.
- To sponsor community relations activities, including public information efforts, in support of the implementation of a qualifying plan.
- To develop planning, evaluation, dissemination, and other administrative activities directly related and necessary to other activities in the program or project.
- To make repairs, minor remodeling or alteration of existing school facilities (including the acquisition, installation, modernization, or replacement of instructional equipment) and to lease or purchase mobile classroom units or other mobile education facilities, where necessary to carry out other activities in the program or project.
- To provide compensatory services to children who have received such services under title I but who are no longer eligible to receive those services as a result of attendance area changes under a qualifying plan.
- To sponsor activities to prevent or eliminate recurring or continuing problems resulting from the implementation of a qualifying plan.
- To plan to implement a plan of desegregation.

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- To conduct educational activities in one or more minority group isolated schools which are not affected by the reassignment of children or faculty under the plan, where the activities have been required by the court to remedy the effects of illegal segregation.

### B. Special Programs and Projects

- To plan, design and conduct programs in magnet schools.
- To pair schools and programs with institutions of higher education and with businesses.
- To plan neutral site schools.
- To conduct activities to meet the needs of minority group children of limited English language proficiency enrolled in schools of local educational agencies eligible for assistance.
- To develop and produce integrated children's television and radio programs of cognitive and affective educational value.

### C. State Education Agency Grants

- To plan for the implementation of voluntary plans to eliminate or reduce minority group isolation and to assess future needs, and to develop further strategies to meet those needs.
- To provide technical assistance to encourage local educational agencies or groups of those agencies to develop or implement voluntary plans to eliminate or reduce minority group isolation.
- To provide training for educational personnel involved in developing or carrying out a voluntary plan to eliminate or reduce minority group isolation in those schools.

### D. Metropolitan Area Projects

- To assist in establishing and maintaining integrated schools.
- To develop a plan to reduce and eliminate minority group isolation.

### E. Educational Television and Radio

- To develop high quality television and radio programming.

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- To conduct ancillary activities such as duplication of tapes and other materials to meet broadcaster and other user needs, promotion of viewership or listenership, promotion of carriage by commercial broadcasters, and promotion of use by schools and others.

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Program : Pre-College Teacher Development in Science

Authority : National Science Foundation Act of 1950, Section 3(a)(1)

Purpose : ● To promote the offering of quality science, mathematics, and social studies instruction to elementary school students by

  - Improving elementary teachers' knowledge of the subject matter of science and mathematics, and their awareness of accompanying appropriate instructional strategies;
  - Developing and maintaining cooperation and communication between scientists and mathematicians at colleges, universities, and certain other scientific institutions, and teachers in elementary schools; and
  - Aiding teachers to identify and use resources appropriate to their level of instruction, which will aid in their teaching of scientific concepts.

Activities : ● To sponsor

  - Academic Year Seminars--Part-time study offered at a central location for teachers within commuting distance, with sessions during the academic year;
  - Summer Seminars--Part-time study offered during the summer at a central location for teachers within commuting distance with follow-up sessions during the academic year; and
  - Summer Workshops--Full-time (1 to 4 weeks), regional projects for advanced training in specific disciplines. A limited follow-up activity may take place during the academic year.

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Program : Teacher Corps

Authority : Higher Education Act of 1965, Title V, Part A

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Purpose :
- To strengthen the educational opportunities available to children in areas having concentrations of low-income families and to encourage colleges and universities and local educational agencies to improve programs of training teachers, teacher aides, and other educational personnel.

Activities :
- To attract and train qualified teachers who will be made available to local educational agencies for teaching in such areas.
- To attract and train inexperienced teacher-interns who will be made available for teaching and inservice training to local educational agencies in such areas in teams led by experienced teachers.
- To attract volunteers to serve as part-time tutors or full-time instructional assistants in programs carried out by local educational agencies and institutions of higher education serving such areas.
- To attract and train educational personnel to provide relevant remedial, basic, and secondary educational training, including literacy and communication skills for juvenile delinquents, youth offenders, and adult criminal offenders.
- To support demonstration projects for retraining inexperienced teachers, teacher aides, and other educational personnel serving in local educational agencies.

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Program : Teacher Centers

Authority : Higher Education Act of 1965, Title V, Part B, Section 532

Purpose :
- To meet the professional needs of teachers in service and thus enable teachers to meet better the educational needs of their students.

Activities :
- To establish a Teacher Center Policy Board which supervises the center. The Board has a majority of classroom teachers, representative of elementary, secondary, vocational and special education teachers in the service area, plus representatives of local school administration and institutions of higher education in the service area.
- To provide opportunities to teachers (and other educational personnel) served by the centers to

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- Develop and produce curricula (including the modification or adaptation of existing curricula) designed to meet the educational needs of the students served;
- Use educational research findings or new or improved practices and techniques in the development of the curricula; and
- Provide training for themselves to
    - enable them to meet better the special educational needs of the students they serve and
    - become familiar with developments in curriculum and educational research, including the use of research to improve teaching skills.

# SUBCHAPTER C

# SPECIAL PROJECTS

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**Program** : Metric Education

**Authority** : Elementary and Secondary Education Act of 1965, Title III, Part B

**Purpose** :

- To prepare students to use the metric system of measurement with ease and facility as a part of the regular education program.

**Activities** :

- To develop demonstrate, improve, or adapt programs of education in the use of the metric system.
- To train educational personnel to carry out programs in the use of the metric system.
- To develop and disseminate instructional materials for use in metric education programs.
- To conduct other activities that will encourage and assist students to learn the use of the metric system.

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**Program** : Arts in Education

**Authority** : Elementary and Secondary Education Act of 1965, Title III, Part C

**Purposes** :

- To encourage and support programs that recognize and stress the essential role the arts can play in elementary and secondary education.
- To establish and conduct programs in which the arts are an integral part of elementary and secondary school curricula.

**Activity** :

- To make arrangements with public and private cultural organizations, agencies, and institutions, including museums, libraries, and theaters, to achieve the above purposes.

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**Program** : Preschool Partnership Programs

**Authority** : Elementary and Secondary Education Act of 1965, Title III, Part D

**Purposes** :

- To provide a smoother and more successful transition to formal schooling for certain pre-school aged children.
- To provide to a limited number of children aged three through four of low-income families and to their parents, families, or guardians a program of educational services including instruction, counsling, and testing, to be conducted primarily in the child's home.

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- To provide to children and adults who have participated in the services described above, during the following year appropriate educational services, testing, and counseling, to be primarily conducted on the premises of an elementary school.
- To provide a coordinated program of testing and assessment designed to assess the achievement of children during their participation in the program and subsequently at the end of each of the first two years of formal schooling.

Activities :
- To identify potential barriers to learning.
- To educate parents in child development, including education of parenthood programs for secondary school students.
- To provide home-based programs of early childhood and family education.

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Program : Consumer Education

Authority : Elementary and Secondary Education Act of 1965, Title III, Part E

Purpose :
- To support research, demonstration and pilot projects designed to assist consumers in developing the skills, knowledge and understanding which will allow them to function effectively in the marketplace and in their roles as consumer-citizens.

Activities :
- To develop curricula (including interdisciplinary curricula) in consumer education.
- To disseminate information.
- To provide preservice and inservice training programs and projects (including fellowship programs, institutes, workshops, symposiums and seminars) for educational personnel to prepare them to teach in areas associated with consumer education.
- To provide demonstration, testing and evaluation activities.

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Program : Youth Employment

Authority : Elementary and Secondary Education Act of 1965, Title III, Part F

Purpose :
- To prepare children to take their place as working members of society.

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Activities :

- To study the relationship of work to academic and intellectual achievement.
- To develop ways to improve achievement in basic educational skills through work experience.
- To enhance job opportunities for youths by coordinating educational activities with youth employment activities, particularly those carried out by the Secretary of Labor under the Comprehensive Employment and Training Act.
- To encourage educational agencies and institutions to develop means to award academic credit for competencies derived from work experience.
- To provide technical assistance, information, training, and other assistance to eligible entities to develop programs to enable students more readily to make the transition from school to work.

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Program : Law-Related Education

Authority : Elementary and Secondary Education Act of 1965, Title III, Part G

Purpose :

- To encourage State and local educational agencies and other public and private nonprofit agencies, organizations, and institutions to provide law-related education programs.

Activities :

- To provide an understanding of what law-related education is through awareness activities to educators, law-related personnel, and the public.
- To develop materials and methods, to conduct pilot and demonstration projects, and to disseminate the products of these activities through law-related education programs in elementary and secondary schools, adult education, community organizations, and institutions of higher education.
- Through clearinghouses and technical assistance, to collect and provide information and assistance on existing experience and resources to institutions, groups, agencies, organizations, and individuals to aid in establishing, improving, and expanding law-related education activities.
- To provide training for educators and law-related personnel in the substance and practice of law-related education, including preservice and inservice seminars, workshops, institutes, and courses.

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- To conduct research and evaluation in order to study and improve the effectiveness of materials and methods in law-related education.
- To involve law-related organizations, agencies, and personnel, such as lawyers, law schools, law students, and law enforcement personnel, in the provision of law-related education activities.
- To sponsor youth internships for outside-the-classroom experience with the law and the legal system.

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Program : Environmental Education

Authority : Elementary and Secondary Education Act of 1965, Title III, Part H

Purposes :
- To encourage and support the development of new and improved curricula.
- To encourage understanding of policies and support of activities designed to enhance environmental quality and maintain ecological balance with consideration given to related economic issues.
- To demonstrate the use of curricula in model educational programs and to evaluate effectiveness.
- To provide support for the initiation and maintenance of programs in environmental education at the elementary and secondary levels.
- To disseminate curriculum materials and other information for use in educational programs for teachers, other educational personnel, public service personnel, and community, labor, and industrial and business leaders and employees at State, Federal, and local levels.
- To provide for the planning of outdoor ecological study centers.
- To provide for community education programs on preserving and enhancing environmental quality and maintaining ecological balance.
- To provide for the preparation and distribution of materials by mass media in dealing with the environment and ecology.

Activities :
- To develop curricula (including interdisciplinary curricula) in the preservation and enhancement of environmental quality and ecological balance.

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- To disseminate information relating to such curricula and to environmental education generally.
- To support environmental educational programs at the elementary and secondary education levels.
- To provide preservice and inservice training (including fellowship programs, institutes, workshops, symposia, and seminars) for educational personnel to prepare them to teach in subject matter areas associated with environmental quality and ecology or to develop interdisciplinary strategies and programs of environmental quality and ecology and for public service personnel, Government employees and business, labor, and industrial leaders and employees.
- To plan outdoor ecological study centers.
- To sponsor community education programs on envionmental quality, including special programs for adults.
- To prepare and distribute materials suitable for use by the mass media.
- To establish prize contests in the elementary and secondary schools in the area of energy, the emphasis to be placed on stimulating new thinking about ways to better understand and solve the energy crisis.
- To demonstrate, test, and evaluate the effectiveness of environmental activities whether or not assisted under this authority.

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Program : Health Education

Authority : Elementary and Secondary Education Act of 1965, Title III, Part I

Purpose :
- To prepare students to maintain their physical health and wellbeing, and to prevent illnesses and diseases, as a part of the regular education program.

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Program : Correction Education

Authority : Elementary and Secondary Education Act of 1965, Title III, Part J

Purpose :
- To develop demonstration projects relating to the academic and vocational education of antisocial, aggressive, or delinquent persons, including juvenile delinquents, youth offenders, and adult criminal offenders.

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**Program** : Dissemination of Information

**Authority** : Elementary and Secondary Education Act of 1965, Title III, Part K

**Purposes** :

- To collect, analyze, and disseminate information derived from activities carried out under Title III and under Part C of Title IV, including information as to which of those activities have been successful in improving the achievement of students in the basic skills.

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**Program** : Biomedical Sciences

**Authority** : Elementary and Secondary Education Act of 1965, Title III, Part L

**Purpose** :

- To offer secondary school students from an economically disadvantaged background an intensive academic program in mathematics, the sciences, and English; study skill development; experiences in laboratory and health care delivery settings; and frequent exposure to individuals trained, or receiving training, in the biomedical sciences.
    - "Biomedical sciences" means a field relevant to the study of human biology, and includes chemistry, biology, medicine, dentistry, osteopathy, optometry, podiatry, pharmacy, and public health.
- Through the above activities,
    - To introduce such students to the challenges, opportunities, and needs of serving in communities which have a need for professionals trained in the biomedical sciences and which have an underrepresentation of individuals from such a disadvantaged background serving as medical professionals;
    - To motivate and educate these students to successfully pursue careers in the biomedical sciences;
    - To develop academic, cognitive, and communicative skills in these students;
    - To rectify disadvantages resulting from foreign language barriers; and
    - To instill awareness and concern in these students for the health of their families and communities.

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Program : Population Education

Authority : Elementary and Secondary Education Act of 1965, Title III, Part M

Purpose :
- To implement a program of population education in elementary and secondary schools.

Activities :
- To sponsor preservice and inservice training programs and projects (including fellowship programs, institutes, workshops, symposiums, and seminars) for educational personnel to prepare them to incorporate population concepts into a broad array of subject fields such as geography, history, science, biology, social studies, and home economics.
- To devleop and disseminate teacher and student instructional materials, including the identification, evaluation, improvement, and adaptation of existing curricula and educational materials.
- To support research to develop curriculum content and to evaluate programs and materials for the purpose of widespread dissemination.
- To support population education programs at the elementary and secondary education levels.
- To demonstrate, test, and evaluate the effectiveness of the activities described above.

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Program : International Understanding

Authority : Elementary and Secondary Education Act, Title III, Part N

Purpose :
- To increase the understanding of students and the public in the United States about the cultures, actions and interconnections of nations and peoples in order better to evaluate the international and domestic impact of major national policies.

Activities :
- To provide inservice training of teachers and other education personnel.
- To develop materials to link language learning to international studies.
- To compile existing information and resources about other nations in forms useful to various types of educational programs.
- To disseminate information and resources to educators and educational officials.

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- To introduce in LEAs instruction in foreign languages not taught in the schools for the prior three years and having critical importance for the Nation.

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Program : Community Schools

Authority : Elementary and Secondary Education Act of 1965, Title VIII

Purposes :

- To provide in collaboration with other public and nonprofit agencies educational, recreational, cultural, and other related community and human services, in accordance with the needs, interests, and concerns of the community through the expansion of community education programs.

- To coordinate the delivery of social services to meet the needs and preferences of the residents of the community served by the school.

- To provide for an efficient, energy-conserving use of school facilities.

- To provide for a research and development emphasis in community education which can contribute to an improved formulation of Federal, State, and local policy.

Activities :

- To provide opportunities to

  - State educational agencies to develop community education and provide technical and financial assistance to local education programs;

  - State educational agencies to (1) conduct State-level activities for furthering community education, and (2) provide technical assistance to local agencies in the development of community education programs;

  - Local educational agencies to plan, establish, expand and maintain community education programs;

  - Public and private nonprofit organizations to promote more efficient use of school facilities and promote more effective delivery of social services;

  - Institutions of higher education to provide training to persons who are or will be engaged in community education programs.

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Program : Gifted and Talented Children

Authority : Elementary and Secondary Education Act of 1965, Title IX, Part A

Purpose :

- To assist local educational agencies and institutions of higher education and other public and private agencies, institutions and organizations to plan, develop, operate and improve programs designed to meet the special educational needs of gifted and talented children—preschool, elementary, or secondary.

Activities :

- To establish and maintain programs or projects designed to meet the educational needs of gifted and talented children.
- To provide training of personnel engaged in the education of gifted and talented supervision of such personnel.
- To establish and operate model projects for the identification and education of gifted and talented.
- To establish clearinghouses to disseminate information about programs, services, resources, research, methodology and media materials for the education of the gifted and talented.
- To assist State educational agencies in statewide planning, nevelopment, operation and improvement of programs and projects.
- To conduct research (includes research training, evaluations, surveys, demonstrations, experimental and model schools), evaluation and related activities pertaining to the education of gifted and talented children.

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Program : Educational Proficiency Standards

Authority : Elementary and Secondary Education Act of 1965, Title IX, Part B

Purpose :

- To assist students in achieving levels of educational proficiency compatible with basic standards established by the State educational agency.

Activities :

- To describe the educational proficiency standards for reading, writing, mathematics, and any other subject for which the State may require such standards.
- To design programs to assist students in achieving levels of aducational proficiency compatible with the State standards.

- To provide for the examination of students, at specified intervals or grade levels, to measure their reading, writing, or mathematical proficiency, or their proficiency in other subjects which are considered appropriate for testing.

- To offer supplementary instruction to a student who fails an examination in any of the subjects for which a test is provided.

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**Program** : Safe Schools

**Authority** : Elementary and Secondary Education Act of 1965, Title IX, Part D

**Purpose** :

- To meet the special needs of local educational agencies to providing security for children, employees, and facilities in elementary and secondary schools by reducing and preventing crimes against them and to encourage the reporting of serious crimes committed in schools to local law enforcement agencies.

**Activities** :

- To provide additional professional or other staff members (including staff members especially trained in problems related to crime control) and to train and retrain staff for schools which are affected by such a plan.

- To provide information to parents and other members of the general public related to the development or to the implementation of the plan.

- To adopt administrative guidelines so that school officials and staff are encouraged to report all serious crimes occurring in school or in school buildings to local law enforcement agencies.

- To conduct planning and evaluation activities.

- To make minor alteration of school plants and facilities, including the acquisition, installation, modernization, or replacement of equipment to reduce the susceptibility of the facility to crimes or vandalism.

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**Program** : Ethnic Heritage Studies

**Authority** : Elementary and Secondary Education Act of 1965, Title IX, Part E

**Purpose** :

- To assist public and private nonprofit educational agencies, institutions and organizations in planning, developing, establishing and operating ethnic heritage studies programs so that students can learn about their cultural heritage as well as that of others.

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**Activities** :

- To develop curriculum materials for use in elementary and secondary schools or institutions of higher education relating to the history, geography, society, economy, literature, art, music, drama, language and general culture of the group or groups with which the program is concerned and the contributions of that ethnic group or groups to the American heritage.
- To disseminate curriculum materials for use in schools and colleges throughout the nation.
- To provide training for persons using or preparing to use curriculum materials developed.
- To cooperate with persons and organizations with a special interest in ethnic groups with which the program is concerned to assist them in promoting, encouraging, developing or providing programs or other activities which relate to the history, culture or traditions of the ethnic groups.

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**Program** : Career Education

**Authority** : Career Education Incentive Act

**Purpose** :

- To assist in making education as preparation for work and a means of relating work values to other life roles and choices, a major goal of all who teach and all who learn by increasing the emphasis placed on career awareness exploration, decisionmaking, and planning in a manner which promotes equal opportunity in making career choices through the elimination of bias and stereotypong in such activities on account of race, sex, age, economic status or handicap.

**Activities** :

- To provide State leadership either directly or through arrangements with public agencies and private organizations including institutions of higher education by
  - Conducting inservice institutes for educational personnel;
  - Collecting, evaluating, and disseminating career materials with special emphasis on overcoming sex bias and stereotyping;
  - Conducting statewide needs assessment and evaluation studies;
  - Engaging in collaborative relationships with other agencies of State government and with public agencies and private organizations representing business, labor, industry and the professions and organizations representing the handicapped, minority groups, women, and older Americans; and

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  - Promoting the adaptation of teacher-training curricula to the concept of career education by institutions of higher education located in the State.

- To operate comprehensive programs, including
  - Instilling career education concepts and approaches in the classroom;
  - Developing and implementing comprehensive career guidance, counseling, placement, and followup services utilizing counselors, teachers, parents, and community resource personnel;
  - Developing and implementing collaborative relationships with organizations representing the handicapped, minority groups, and women and with all other elements of the community, including the use of personnel from such organizations and the community as resource persons in schools and for student field trips into that community;
  - Developing and implementing work experiences for students whose primary purpose is career exploration, if such work experiences are related to existing or potential career opportunities and do not displace other workers who perform such work;
  - Employing coordinators of career education in local educational agencies or in combinations of such agencies but not at the individual school building level;
  - Training local career education coordinators;
  - Providing inservice education for educational personnel, especially teachers, counselors, and school administrators, designed to help such personnel to understand career education, to acquire competencies in the field of career education and to acquaint such personnel with the changing work patterns of men and women, ways of overcoming sex stereotyping in career education, and ways of assisting women and men to broaden their career horizons;
  - Conducting institutes for members of boards of local educational agencies, community leaders and parents concerning the nature and goals of career education;
  - Purchasing instructional materials and supplies for career education activities;

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  - Establishing and operating community career education councils;
  - Establishing and operating career education resource centers serving both students and the general public;
  - Adopting, reviewing, and revising local plans for coordinating the implementation of the comprehensive program; and
  - Conducting needs assessments and evaluations.

- To demonstrate the most effective methods and techniques in career education.
- To develop examplary models particularly projects designed to eliminate bias and stereotyping.
- To conduct postsecondary educational career demonstration projects.
- To gather, analyze and disseminate occupational and career information and to disseminate information on examplary career education programs.

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Program : Desegregation Training and Advisory Services

Authority : Civil Rights Act of 1964, Title IV, Section 405

Purpose : • To assist school boards in dealing with problems incident to desegregation.

Activities : • To train teachers and other school personnel in service.

• To employ specialists to advise in problems incident to desegregation.

ecia Education Consolidation and Improvement Act Chapter 2

# APPENDIX C

## The Local Educational Agency Application

# COMMONWEALTH OF PENNSYLVANIA
# DEPARTMENT OF EDUCATION
# CONTRACT FOR
# EDUCATION CONSOLIDATION AND IMPROVEMENT ACT
# GRANT AWARD PURSUANT TO CHAPTER 2
# P.L. 97-35 (1981)

Number: ________________________________

Note: Local Educational Agency (LEA) to Complete only Blanks Marked X-.

Note for Cooperative Units:
If two or more LEAs are organizing into a cooperative arrangement (Co-op) to receive and administer Chapter 2 funds by this Contract, the chief school officer or executive director of each LEA participating in the Co-op will sign the cooperative participation certification form in Rider B, binding each LEA to the Co-op and to this Contract. The executive director or chief school officer of the administering unit of the Co-op will bind the Co-op to the Department by signing page 2 and completing blanks marked X-.

I. This Contract is made and entered into this _____ day of _______________, 19___, at Harrisburg, County of Dauphin, Commonwealth of Pennsylvania, by the Department of Education of the Commonwealth of Pennsylvania, hereinafter called the Department and X-________________________________, hereinafter called the LEA or Co-op.

II. For and in consideration of Department approval of Riders B and C and P.L. 97-35 funding thereunder, the LEA or Co-op agrees to the terms of this Contract and agrees to furnish all certified personnel, facilities, materials and, in consultation with the Department, other services which are needed to perform the services described in Rider B. The following Riders are hereby incorporated in this Contract by reference:

Rider A - Terms and Conditions

Rider B - Allocation of Funds (DEBE-24)

Rider C - General Budget (DEBE-24A)

III. As Riders B and C describe a three-year project, the term of this Contract shall be from _______________________, 19___, to ______________________________, 19___.

IV. The LEA or Co-op hereby certifies that its governing body has adopted the terms of this Contract and the same is recorded in the meeting held on X-_______________________, 19___. The LEA or Co-op also hereby certifies that all information contained in Riders B and C is true and correct.

CHIEF SCHOOL OFFICER OR EXECUTIVE DIRECTOR FOR THE LEA OR CO-OP:

X-__________________________________________ ________________________
Signature Date Signed

X-____________________________________________________________________
Typed Name and Title of Chief School Officer/Executive Director

FOR THE COMMONWEALTH:

________________________________ ________________________________
Signature - Authorized Reviewer Signature - Bureau Director or Division Chief

APPROVED FOR FISCAL PROPRIETY:

________________________________
Comptroller

APPROVED AS TO LEGALITY AND FORM:

________________________________
Office of General Counsel

________________________________
Office of Attorney General

## Rider A -- Terms and Conditions

For the purpose of this Rider, Chapter 2 shall refer to Chapter 2 of the Education Consolidation and Improvement Act.

The LEA (or in the case of a Co-op, the Co-op and each participating LEA) hereby assures that:

A. Programs and projects funded under Chapter 2 are designed for (1) Basic Skills Development, (2) Educational Improvement and Support Services, and/or (3) Special Projects.

B. Local parents, teachers, administrators, and other groups as may be deemed appropriate by the LEA have participated in the design and planning of this grant application and will be consulted systematically during the implementation of the programs as required by P.L. 97-35, Section 566.

C. If this LEA is required by P.L. 97-35, Section 586 to serve the private nonprofit students in the LEA, an opportunity for participation will be provided them on a basis which is equitable to that provided the public school students in the district boundaries where the private school children are enrolled.

D. The LEA will use funds under Chapter 2 only so as to supplement and to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available from non-Federal sources for the education of pupils participating in programs and projects assisted under this Chapter. In no case will funds under Chapter 2 be used so as to supplant funds from non-Federal sources.

E. The control of funds provided under this application, and title to the property derived therefrom, shall be in a public agency which shall administer such property and funds and apply them only for the purposes for which they are granted.

F. The LEA agrees to keep such records and provide such information to the Department as may be required for fiscal and compliance audits and program evaluation.

G. The LEA agrees to provide a fiscal and compliance audit of its programs and projects funded under this Chapter as required by the Department. This audit will conform to standards issued by the Federal and State governments.

H. The LEA shall perform its duties under this Chapter as an independent contractor and shall provide public liability, property damage and workmen's compensation insurance, insuring as they may appear, the interest of all parties to this Grant Agreement against any and all claims which may arise out of LEA operations under the terms of this Grant Agreement. The LEA shall accept full responsibility for the payment of premiums for workmen's compensation and social security, as well as all income tax deductions and any other taxes or payroll deductions required by law for its employees who are performing services specified by this Grant Agreement.

I. The LEA agrees to comply with all applicable State and Federal statutes and regulations.

J. The LEA agrees to indemnify and hold harmless the Department in cases where the U.S. Secretary of Education or his/her authorized representative finds the LEA to have failed to comply substantially with State or Federal requirements pertaining to Chapter 2 of this Act or related requirements.

K. Failure by the LEA to comply substantially with any assurances given or conditions required to be met authorizes the Department and/or the U.S. Secretary of Education or his/her successor to withhold funds under this Chapter after notice and an opportunity for a hearing have been provided. Failure by the LEA to comply with assurances given herein or conditions required to be met authorizes the Department to demand the repayment of an audit exception after notice and an opportunity for a hearing have been provided.

L. As this Contract is funded by Federal funds, it may be terminated by the Commonwealth if Federal funds are not provided to the Commonwealth for the Contract purpose. Any such termination shall be effected by delivery to the LEA of a Notice of Termination specifying the reason for termination and the date such termination is to be effective. The LEA shall be compensated for work performed or for services that were provided prior to the date of Notice of Termination, or as stated therein.

# RIDER B – ALLOCATION OF FUNDS

*See Chapter 2 Guidelines for Instructions*

(1) Check one only:

☐ School District

☐ Intermediate Unit

☐ Co-op

(2) Administrative Unit Number

(3) Program Number

(4) Check one only:

☐ Initial Year – July 1, 1982 to June 30, 1983

☐ 2nd Year Amendment – 1983 to 1984

☐ 3rd Year Amendment – 1984 to 1985

(5) ______________________________
Title of Applicant LEA/Co-op Administering Unit

(6) ______________________________
Mailing Address

(7) ______________________________
City or Town Zip Code

(8) ______________________________
County

(9) ______________________________
U.S. Congressional District

(        ) ______________________________
Area Code and Phone Number

(10) ______________________________
LEA/Co-op Chapter 2 Administrator

______________________________
Title

(        ) ______________________________
Area Code and Phone Number

(11) ______________________________
Private Nonprofit School Liaison Person at LEA/Co-op

(        ) ______________________________
Area Code and Phone Number

______________________________
Title

## SECTION I: AUTHORIZED PROGRAMS

Check the program/s to be supported with funds requested by this application.

(1) Administrative Unit Number

(2) Program Number

(3) **SUBCHAPTER A: Basic Skills Development**

- ( ) Reading
- ( ) Mathematics
- ( ) Written and Oral Communications

(4) **SUBCHAPTER B: Educational Improvement and Support Services**

- ( ) Instructional Materials and School Library Resources
- ( ) Instructional Equipment
- ( ) Improvement in Local Educational Practices
- ( ) Improvement in Planning, Managing and Implementing Educational Programs
- ( ) Guidance, Counseling, and Testing
- ( ) Teacher Training and In-Service Staff Development
- ( ) Desegregation

(5) **SUBCHAPTER C: Special Projects**

- ( ) Arts in Education
- ( ) Career Education
- ( ) Consumer Education
- ( ) Correction Education
- ( ) Environmental Education
- ( ) Health Education
- ( ) Law-Related Education
- ( ) Metric Education
- ( ) Population Education
- ( ) Biomedical Sciences
- ( ) Ethnic Heritage Program
- ( ) Follow Through Programs
- ( ) In-School Partnership Programs
- ( ) Preschool Partnership Programs
- ( ) Community Schools
- ( ) Educational Proficiency Standards
- ( ) Gifted and Talented Children
- ( ) Safe Schools Program
- ( ) Youth Employment
- ( ) Civil Rights Training and Advisory Services (Desegregation Assistance)
- ( ) Other (Attach project description)

## SECTION II: ALLOCATION OF FUNDS

(1) Administrative Unit Number

(2) Program Number

## PLANNED EXPENDITURES

## PROGRAMS/ACTIVITIES

(3) **For the Benefit of Children in:**

| PROGRAMS/ACTIVITIES | Public Schools | Private Schools | TOTAL |
|---|---|---|---|
| (4) **SUBCHAPTER A: Basic Skills Development** | | | |
| Reading | | | |
| Mathematics | | | |
| Written and Oral Communications | | | |
| Subtotal | | | |
| (5) **SUBCHAPTER B: Educational Improvement and Support Services** | | | |
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| Subtotal | | | |
| (6) **SUBCHAPTER C: Special Projects** | | | |
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| Subtotal | | | |
| (7) TOTAL | | | |

## SECTION III: COOPERATIVE PARTICIPATION CERTIFICATION FOR ECIA CHAPTER 2 (P.L. 97-35)

(Do not complete before reading instructions on reverse side)

Administrative Unit Number

Program Number

Each of the undersigned certifies that the information contained in this application is correct and complete, that the LEA which the undersigned represents has authorized the undersigned to file this application, and that such authorization action is recorded in the minutes of the LEA's meeting held on the date shown below. The LEA designated below as the administering unit of the Co-op is authorized to receive and expend for the conduct of activities authorized by this Contract Chapter 2 funds in amounts not to exceed those shown in this Certification. All participating LEAs have entered into an agreement concerning the final disposition of equipment, facilities and materials purchased under this contract from Chapter 2 funds.

### A. Certificate of Co-op Administering Unit

| | | |
|---|---|---|
| Title of Applicant Co-op Administering Unit | Name of Chief School Officer or Executive Director | |
| Date When Governing Body Adopted Terms of Co-op Contract | Signature of Chief School Officer or Executive Director | Date |

### B. Certificates of Participating LEAs

| Name of Participating LEA | Signature of Chief School Officer or Executive Director | Date When Governing Body Adopted Terms of Contract | Amount of Chapter 2 Funds |
|---|---|---|---|
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## COOPERATIVE UNIT INFORMATION

1. GENERAL: An LEA is a public school district administered by a chief school officer or an intermediate unit administered by an executive director. Two or more LEAs may combine their ECIA Chapter 2 allocations, or a portion of them, and conduct a program cooperatively. The reverse side of this page is to be completed by the chief school officer/executive director of the administering unit after agreement is reached and recorded by all participating LEAs. The chief school officer/executive director from each participating LEA must sign Section B. If the administering unit is also a participating LEA, the chief school officer/executive director, in this case, would sign both Sections A and B.

2. FISCAL AND COMPLIANCE AUDITS: The administering unit of the Co-op is responsible for keeping required records and providing to the Department of Education all required information for these audits.

3. EVALUATION: The administering unit of the Co-op is responsible for providing the required program/project evaluations.

Commonwealth of Pennsylvania - Department of Education
DEBE-24A (5/82)

## BUDGET SUMMARY – ECIA Chapter 2

☐ Original ☐ Revision ☐ Carry-Over (Source) ____________

*INSTRUCTIONS:* Please send original and two copies to: Division of Planning and Dissemination, PA Department of Education.

| REVISIONS ONLY | |
|---|---|
| PROGRAM NUMBER | DATE |
| | |

NAME OF LOCAL EDUCATIONAL AGENCY/CO-OP

MAILING ADDRESS OF LOCAL EDUCATIONAL AGENCY (STREET, CITY, STATE) ZIP CODE

COMPTROLLER'S USE ONLY

| CONTROL CODE | | | | SCHOOL I.D. | | | | | STARTING DATE | | | | PAYMENT | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PROG | PROJ. | DETAIL | FY | I.U. | CTY | UNIT | | % | MO. | DAY | YR. | COST CENTER | TOT | BACK | LEFT |
| | | | | | | | | | | | | | | | |

| LINE | MAJOR CATEGORY NO. | EXPENDITURE ACCOUNT | SALARIES | CONTRACTED SERVICE AND OTHER EXPENSE | COMP. USE ONLY | TOTAL |
|---|---|---|---|---|---|---|
| 1 | 0100 | Administration | | | 1 | |
| a | 0200 | Instructional Salaries | | | | |
| b | | Textbooks | | | | |
| c | | Teaching Supplies | | | | |
| d | | Library Books and Supplies | | | | |
| e | | Audiovisual Materials | | | | |
| f | | In-service Education | | | | |
| g | | All Other Costs of Instruction | | | | |
| 2 | | Subtotal – Instruction | | | 2 | |
| 3 | 0300 | Pupil Personnel Services | | | 3 | |
| 4 | 0400 | Health Services | | | 4 | |
| 5 | 0500 | Pupil Transportation | | | 5 | |
| 6 | 0600 | Operation and Maintenance (Exclude Replacement Equip.) | | | 6 | |
| 7 | 0800 | Fixed Charges | | | 8 | |
| 8 | 0900 | Food Service | | | 9 | |
| 9 | 1100 | Community Service | | | A | |
| 10 | | Subtotal - (Lines 1 through 9) | | | | |
| 11 | | Indirect Costs Rate x Line 10 | | | B | |
| 12 | 0643-0644 | Replacement Equipment | | | C | |
| a | 1200 | Land and Buildings | | | | |
| b | | Instructional Equipment | | | | |
| c | | Noninstructional Equipment | | | | |
| d | | Subtotal – Equipment (Lines b & c) | | | | |
| 13 | | Subtotal – Capital Outlay (Lines a & d) | | | D | |
| 14 | | *GRAND TOTAL (Line 10 + Line 11 + Line 12 + Line 13) | | | | |

NOTE: A breakdown must be furnished for the original budget and attached to the application. For REVISIONS all changes must be explained below. Use additional sheet if necessary.

### SCHEDULE OF PAYMENTS

Payments must be equal amounts which total the balance after the 10 percent withholding. Check the consecutive months in which funds are required by the LEA during the program year:

☐ JAN. ☐ FEB. ☐ MAR. ☐ APR. ☐ MAY ☐ JUNE ☐ JULY ☐ AUG. ☐ SEPT. ☐ OCT. ☐ NOV. ☐ DEC.

PROGRAM START DATE ____________

$ ________ – $ ________ = ________ + ________ = ________
Grand Total — 10% Withholding — Balance — No. of Payments — Monthly Payments

REMARKS:

REVISIONS ONLY

| SIGNATURE OF CHIEF SCHOOL OFFICER/EXECUTIVE DIRECTOR | PDE SIGNATURE | DATE |
|---|---|---|
| | | |

**SAMPLE ONLY**

# BUDGET BREAKDOWN FORMAT

Partial Budget Shown – See ECIA Chapter 2 Guidelines for Instructions

| Major Category Number | Expenditure Account | Salaries Subchapter A | Salaries Subchapter B | Salaries Subchapter C | Contracted Services Subchapter A | Contracted Services Subchapter B | Contracted Services Subchapter C | Other Expenses Subchapter A | Other Expenses Subchapter B | Other Expenses Subchapter C | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 0100 | Administration | | | | | | | | | | |
| | Audit | | | | $25 | $25 | $25 | | | | |
| **SUBTOTAL:** | | | | | | $ 75 | | | | | **$ 75** |
| 0200 | Instruction | | | | | | | | | | |
| | Salaries | | | | | | | | | | |
| | 2 Aides @ $5,200 | $10,400 | | | | | | | | | |
| **SUBTOTAL:** | | | $10,400 | | | | | | | | **$10,400** |
| 0221 | Textbooks<br>85 Reading Books @ $10 | | | | | | | | | $850 | |
| **SUBTOTAL:** | | | | | | | | | $850 | | **$ 850** |
| 0224 | AV Material<br>23 Children @ $5 | | | | | | | | | $115 | |
| **SUBTOTAL:** | | | | | | | | | $115 | | **$ 115** |
| 0231 | In-service Training<br>Lodging & Meals<br>10 People, 2 days at $40/day | | | | | $800 | | | | | |
| **SUBTOTAL:** | | | | | | $800 | | | | | **$ 800** |

Subchapter A – Basic Skills Development
Subchapter B – Educational Improvement and Support Services
Subchapter C – Special Projects

Commonwealth of Pennsylvania – Department of Education

DEBE-24B (5/82)

# PROPOSED EQUIPMENT PURCHASE FORM

## ECIA – CHAPTER 2

**REVISIONS ONLY**

| PROGRAM NUMBER | DATE |
|---|---|
| | |

**INSTRUCTIONS:** *Separate code 1243 from 1244 and identify.*

NAME OF LOCAL EDUCATIONAL AGENCY/CO-OP

MAILING ADDRESS OF LOCAL EDUCATIONAL AGENCY (STREET, CITY, STATE)

ZIP CODE

| ITEM | COST PER UNIT | NUMBER PURCHASED | TOTAL COST | PROPOSED LOCATION OF EQUIPMENT |
|---|---|---|---|---|
| | | | | |

Signature of Chief School Officer/Executive Director

5

ecia
Education
Consolidation and
Improvement Act
Chapter 2

# APPENDIX D

## Fiscal Reporting Forms

DEBE-105 (5/82)

# RECONCILIATION OF CASH ON HAND
# QUARTERLY REPORT

Check only one (1) box per report

☐ ESEA Title 1 PL89-313 (Handicapped Only)
☐ EHA-B Title VI (Regular Grant)
☐ EHA-B Title VI (Preschool Incentive Grant)
☐ Health Occupations
☐ Nutrition Education Training Program (NETP)
☐ State Retraining
☐ Vocational Education
☐ Adult Basic Education
☐ ECIA Chapter 1
☐ ECIA Chapter 2
☐ ____________ (Other)

INSTRUCTIONS: Please send original to Comptroller's Office, Federal Subsidies Division, PA Department of Education, P.O. Box 3, Harrisburg, PA 17108.

**PART I**

*COMPTROLLER'S USE ONLY*

LOCAL EDUCATIONAL AGENCY

ADDRESS (STREET, CITY, STATE)

ZIP CODE

| MONTH OF SUBMISSION | PROGRAM NUMBER | APPROVED AMOUNT | APPROVAL DATE | SCHEDULED MONTHLY PAYMENT |
|---|---|---|---|---|
| ☐ JANUARY ☐ JULY<br>☐ APRIL ☐ OCTOBER | | | | |

**PART II**

| | |
|---|---|
| 1. Federal Cash Received | $ |
| Federal Cash Disbursed | $ |
| 3. Cash on Hand (Line 1 less Line 2) | $ |
| 4. Scheduled Monthly Payment (Not to be completed for the NET Program) | $ |
| 5. Cash Available for Month (Line 3 plus Line 4 - Not to be completed for the NET Program) | $ |
| 6. Estimated Monthly Cash Requirement for month of: | $ |
| 7. Cash Status Surplus or Deficit (Line 5 less Line 6) | $ |

**PART III**

COMMENTS: EXPLAIN ANY EXTRAORDINARY CASH NEEDS FOR ANY MONTH OF THIS QUARTER. (ATTACH AN ADDITIONAL SHEET, IF NECESSARY)

**PART IV**

RTIFICATION: I CERTIFY THAT THIS REPORT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE:

NAME OF LEA REPRESENTATIVE

TYPED

SIGNATURE

DATE

NAME OF PROGRAM CONTACT PERSON

AREA CODE & PHONE NO. OF CONTACT PERSON

**The importance of submitting this report on time cannot be overemphasized. This report must be received in the Federal Subsidies Division of the Comptroller's Office by the 10th calendar day of October, January, April and July (as applicable). Failure to submit this report will stop the flow of cash and cause an unwarranted expense of borrowing district funds.**

The Reconciliation of Cash-On-Hand Report should be completed as follows:

**Part I**

Enter the complete name and mailing address of the local educational agency conducting the program, the complete program number, the approved budget amount, the program approval date, and the amount of the scheduled monthly payment. Indicate the month for which the report is being filed.

**Part II**

Line 1 is the total of all federal cash received for the program to date.

Line 2 is the total of all cash actually disbursed as of the end of the quarter just prior to the month in which the report is being filed. Do not include any amounts that represent obligations.

Line 3 is the difference between the federal cash received (line 1) and the actual federal cash disbursed (line 2). If disbursements are greater than receipts, a deficit figure should be enclosed in parenthesis (   ).

Line 4 is the amount of one scheduled monthly payment. It must be the same as the amount shown in Part I.

Line 5 is the total of lines 3 and 4 or the actual amount of cash that will be available for disbursement during the month.

***NOTE: Lines 4 and 5 are not to be completed by the NET Program.***

Line 6 refers to the month in which the report is being filed. Enter the name of the month and the amount that represents the actual cash payment that will be made during that month.

Line 7 is the difference between the amount of cash available for use during the month (line 5) and the estimated expenditures for that month (line 6). If the amount is a deficit, the amount should be enclosed in parenthesis (   ). If line 7 shows excessive cash on hand, i.e., any amount over one scheduled monthly payment, the excess cash on hand must be justified in Part III, or scheduled monthly payment(s) will be postponed until such excess cash reserves are used.

**Part III**

If during any of the three months of the quarter in which the report is being submitted, there will be any extraordinary cash needs, they should be noted here. The amount(s) should be listed and an explanation of the needs given. Extraordinary needs are those that represent amounts materially more than can be paid with the regularly scheduled payments that the LEA receives. By being alerted to extraordinary cash needs, the Comptroller's Office may be able to adjust the amount of the scheduled payment to allow the LEA to meet its obligations as they become due.

**PART IV**

Certification that the report of the status of cash is true and correct must be made by an authorized official. The program person named will be called if questions arise.

Commonwealth of Pennsylvania — Department of Education

DEBE-86 (5/82)

# PRELIMINARY COMPLETION REPORT

Check only one (1) box per report

☐ EHA-B Title VI (Regular Grant)

☐ ECIA Chapter 1

☐ ESEA Title I PL 89-313 (Handicapped only)

☐ EHA-B Title VI (Preschool Incentive Grant)

☐ ECIA Chapter 2

☐ ____________ (Other)

**INSTRUCTIONS:** Please send original to Comptroller's Office, Federal Subsidies Division. PA Department of Education, P.O. Box 3, Harrisburg, PA 17108.

**PART I**

LOCAL EDUCATIONAL AGENCY

| | | |
|---|---|---|
| ADDRESS (STREET, CITY, STATE) | ZIP CODE | COUNTY |

| | | | |
|---|---|---|---|
| PROGRAM NUMBER | APPROVED AMOUNT | APPROVAL DATE | DATE OF REPORT |

**PART II**

| | |
|---|---|
| 1. Federal Funds Received | $ |
| 2. Federal Funds Disbursed | $ |
| 3. Federal Cash on Hand (Line 1 minus Line 2) | $ |
| 4. Outstanding Obligations | $ |
| 5. Cash Status (line 3 minus Line 4) | $ |
| 6. Funds Returned with this Report (Line 3 minus Line 4) | $ |

Make refund check payable to Commonwealth of Pennsylvania

**PART III**

**CERTIFICATION:** I certify that the information submitted on this report is true and correct to the best of my knowledge

| NAME OF CHIEF SCHOOL OFFICER/EXECUTIVE DIRECTOR | | |
|---|---|---|
| TYPED | SIGNATURE | DATE |

**The purpose of the Preliminary Completion Report (DEBE-86) is to summarize costs of the program and release the 10% withholding where applicable. This form must be submitted within 10 calendar days after the last day of the grant period. For earlier release of withheld funds (wherever applicable), the preliminary report may be filed anytime during the grant period if all program funds have been expended or obligated.**

> ***NOTE: ECIA Chapter 1. If no carryover, postmark by September 10. If carryover, defer this form until 10 calendar days after the carryover funds have been used.***

The Preliminary Completion Report should be completed as follows:

**Part I**

Enter the complete name and mailing address of the local agency, the county, project number, approved budget amount, program approval date and date of the report.

**Part II**

Line 1 is the total of all federal funds received for the program.

Line 2 is the total of all federal funds disbursed for the expenses of the program.

Line 3 is the amount of federal cash-on-hand. This is the difference between federal cash received (Line 1) and federal cash disbursed (Line 2).

Line 4 is the amount of all obligations of the program that are outstanding at the time of the report. No new obligations can be made after the termination date of the program.

Line 5 is the cash status of all expenditures and obligations. This is equal to federal funds on hand (Line 3) less outstanding obligations (Line 4). If funds have been withheld on a program and Line 5 indicates that there are more outstanding obligations than cash-on-hand, a check will be written in an amount equal to the excess of obligations over cash-on-hand.

Line 6 is the amount of funds received in excess of all expenditures and obligations of the program. This is equal to federal funds on hand (Line 3) less outstanding obligations (Line 4). A check in this amount, payable to the Commonwealth, should be submitted with this report.

Technical Assistance: Call (717) 783-9072

Commonwealth of Pennsylvania — Department of Education

DEBE-86B (5/82)

# FINAL COMPLETION REPORT

Check only one (1) box per report

☐ EHA-B Title VI (Regular Grant)
☐ ECIA Chapter 1
☐ ESEA Title I PL 89-313 (Handicapped only)
☐ EHA-B Title VI (Preschool Incentive Grant)
☐ ECIA Chapter 2
☐ ______ (Other)

INSTRUCTIONS: Please send original and one copy to Comptroller's Office, Federal Subsidies Division, PA Department of Education, P.O. Box 3, Harrisburg, PA 17108.

## PART I

LOCAL EDUCATIONAL AGENCY

| | | |
|---|---|---|
| MAILING ADDRESS (STREET, CITY, STATE) | ZIP CODE | COUNTY |
| APPROVAL DATE | PROGRAM NUMBER | AMOUNT APPROVED |

## PART II

| ITEMS | TO BE COMPLETED BY LEA | COMPTROLLER'S USE ONLY |
|---|---|---|
| 1. Total Receipts | | |
| 2. Total Expenditures | | |
| 3. Adjustments | ▨ | |
| 4. Project Funds Previously Returned | | |
| 5. Project Funds Due LEA | | |
| 6. Project Funds Due PDE | | |
| 7. Interest Income | | |

## PART III

CERTIFICATION: I certify that the information submitted on this report is true and correct to the best of my knowledge.

| NAME OF CHIEF SCHOOL OFFICER/EXECUTIVE DIRECTOR | | DATE |
|---|---|---|
| TYPED | SIGNATURE | |

## PART IV

CERTIFICATION OF AUDIT: We have examined the financial documents and accounting records of the above program. In our opinion, the entries on this form represent the financial position of this program after all obligations are paid.

☐ No objections ☐ Objections (attach to this form)

| NAME OF AUDITOR | MAILING ADDRESS (Street,City,State,Zip Code) | AUDITOR'S SIGNATURE | DATE |
|---|---|---|---|
| | | | |
| | | | |
| | | | |

DEBE-86B (5/82)

FOR COMPTROLLER'S USE ONLY

| PROGRAM NUMBER | PROGRAM AREA CODE | FISCAL YEAR |
|---|---|---|
| | | |

**PART V – PROGRAM EXPENDITURE SUMMARY**

**INSTRUCTIONS:** Round off all figures to the nearest dollar. Amounts in the budget column must be the same as the latest budget revision or the original budget if there have been no budget revisions.

| LINE | MAJOR CATEGORY NUMBER | EXPENDITURE ACCOUNT | SALARIES (1) | CONTRACTED SERVICES AND OTHER EXPENSE (2) | TOTAL AMOUNT EXPENDED (3) | FINAL REVISION DATE: ______ AND TOTALS (4) | COMPTROLLER'S USE ONLY (5) |
|---|---|---|---|---|---|---|---|
| 1 | 0100 | Administration | ▨ | | | | |
| a | 0200 | Instructional Salaries | | ▨ | ▨ | | |
| b | | Textbooks | ▨ | | ▨ | | |
| c | | Teaching Supplies | ▨ | | ▨ | | |
| d | | Library books and supplies | ▨ | | ▨ | | |
| e | | Audiovisual Materials | ▨ | | ▨ | | |
| f | | In-service Education | ▨ | | ▨ | | |
| g | | All Other Costs of Instruction | ▨ | | ▨ | | |
| 2 | | Subtotal - Instruction | ▨ | ▨ | | | |
| 3 | 0300 | Pupil Personnel Services | | | | | |
| 4 | 0400 | Health Services | | | | | |
| 5 | 0500 | Pupil Transportation | | | | | |
| 6 | 0600 | Operation and Maintenance | | | | | |
| 7 | 0800 | Fixed Charges | ▨ | | | | |
| 8 | 0900 | Food Service | | | | | |
| 9 | 1100 | Community Service | | | | | |
| 10 | | Subtotal (Lines 1 through 9) | ▨ | ▨ | | ▨ | ▨ |
| 11 | | Indirect Costs Approved Rate x Line 10 | ▨ | ▨ | | | |
| 12 | 0643-0644 | Replacement Equipment | ▨ | | | | |
| a | 1200 | Land and Buildings | ▨ | | ▨ | | |
| b | | Instructional Equipment | ▨ | | ▨ | | |
| c | | Noninstructional Equipment | ▨ | | ▨ | | |
| d | | Subtotal - Equipment (Lines b and c) | ▨ | | ▨ | | |
| 13 | | Subtotal - Capital Outlay (Lines a and d) | ▨ | ▨ | | ▨ | ▨ |
| 14 | | GRAND TOTAL (Lines 10, 11, 12 and 13) | ▨ | ▨ | | | |

Commonwealth of Pennsylvania – Department of Education

DEBE-61 (5/82)

## FINAL EXPENDITURE RECORD AND REPORT

LOCAL EDUCATIONAL AGENCY

ADDRESS (STREET, CITY, STATE) ZIP CODE

APPROVAL DATE

AMOUNT OF FEDERAL FUNDS RECEIVED

PROGRAM NUMBER

Check only one (1) box per report

☐ EHA-B Title VI (Regular Grant)

☐ ECIA Chapter 1

☐ ESEA Title 1 PL89-313 (Handicapped Only)

☐ EHA-B Title VI (Preschool Incentive Grant)

ECIA Chapter 2

☐ Subchapter A

☐ Subchapter B

☐ Subchapter C

☐ ____________ (Other)

| TRANS-ACTION DATE (1) | ORDER NO. (2) | DATE ORDER-ED (3) | CHECK NO. (4) | VENDOR OR CHARGE AND BRIEF DESCRIPTION (5) | OBLIGATIONS | | EXPENDITURE BY MAJOR CATEGORY | | | | | | | | | | AVAILABLE BALANCE (18) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | MAJOR CODE NO. (6) | AMOUNT (7) | 0100 (8) | 0200 (9) | 0300 (10) | 0400 (11) | 0500 (12) | 0600 (13) | 0800 (14) | 0900 (15) | 1100 (16) | 1200 (17) | |
| | | | | Totals Brought Forward | | | | | | | | | | | | | |
| | | | | Totals to Carry Forward | | | | | | | | | | | | | |

SIDE 2

| TRANS-ACTION DATE (1) | ORDER NO. (2) | DATE ORDER-ED (3) | CHECK NO. (4) | VENDOR OR CHARGE AND BRIEF DESCRIPTION (5) | OBLIGATIONS | | EXPENDITURE BY MAJOR CATEGORY | | | | | | | | | | AVAILABLE BALANCE (18) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | MAJOR CODE NO. (6) | AMOUNT (7) | 0100 (8) | 0200 (9) | 0300 (10) | 0400 (11) | 0500 (12) | 0600 (13) | 0800 (14) | 0900 (15) | 1100 (16) | 1200 (17) | |
| | | | | Totals Brought Forward | | | | | | | | | | | | | |

ecia Education Consolidation and Improvement Act Chapter 2

# APPENDIX E

## Program Evaluation Forms

Commonwealth of Pennsylvania - Department of Education
DEBE-24C (5/82)

CHECK ONE: ☐ SCHOOL DISTRICT
☐ INTERMEDIATE UNIT
☐ CO-OP

AUN ____________

## PART I: PROGRAM PARTICIPATION AND COST

PROGRAMS OPERATED IN: ☐ PUBLIC SCHOOLS ☐ PRIVATE, NONPROFIT SCHOOLS

NAME OF LEA OR CO-OP ____________

NAME OF LEA CHAPTER 2 ADMINISTRATOR ____________

| CODES | ELIGIBLE PROGRAMS | (A) NUMBER OF PROJECTS | (B) NUMBER OF SCHOOLS | PROJECT COSTS | | NUMBER OF STUDENTS SERVED [1] | | | | | NUMBER OF STAFF | | | (M) NUMBER OF COMMUNITY |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | (C) ECIA FUNDS | (D) NON-ECIA FUNDS | (E) PRESCHOOL, ELEM. | (F) SECONDARY | (G) HANDICAPPED | (H) DISADVANTAGED | (I) GIFTED, TALENTED | (J) TEACHING | (K) ADMINISTRATIVE | (L) PAID BY ECIA FUNDS | |
| A | BASIC SKILLS | | | | | | | | | | | | | |
| 1 | READING | | | | | | | | | | | | | |
| 2 | MATHEMATICS | | | | | | | | | | | | | |
| 3 | WRITTEN AND ORAL COMMUNICATIONS | | | | | | | | | | | | | |
| B | EDUCATIONAL IMPROVEMENT AND SUPPORT SERVICES | | | | | | | | | | | | | |
| 1 | INSTRUCTIONAL MATERIALS & SCHOOL LIBRARY RESOURCES | | | | | | | | | | | | | |
| 2 | INSTRUCTIONAL EQUIPMENT | | | | | | | | | | | | | |
| 3 | IMPROVEMENT IN LOCAL EDUCATIONAL PRACTICES | | | | | | | | | | | | | |
| 4 | IMPROVE'T IN PLANNING, MANAGING & IMPLEMENTING ED. PROG'S | | | | | | | | | | | | | |
| 5 | GUIDANCE, COUNSELING AND TESTING | | | | | | | | | | | | | |
| 6 | TEACHER TRAINING & IN-SERVICE STAFF DEVELOPMENT | | | | | | | | | | | | | |
| 7 | DESEGREGATION | | | | | | | | | | | | | |
| C | SPECIAL PROJECTS | | | | | | | | | | | | | |
| 1 | METRIC EDUCATION | | | | | | | | | | | | | |
| 2 | ARTS IN EDUCATION | | | | | | | | | | | | | |
| 3 | IN-SCHOOL PARTNERSHIP PROGRAMS | | | | | | | | | | | | | |
| 4 | PRESCHOOL PARTNERSHIP PROGRAMS | | | | | | | | | | | | | |
| 5 | CONSUMER EDUCATION | | | | | | | | | | | | | |
| 6 | YOUTH EMPLOYMENT | | | | | | | | | | | | | |
| 7 | LAW-RELATED EDUCATION | | | | | | | | | | | | | |
| 8 | ENVIRONMENTAL EDUCATION | | | | | | | | | | | | | |
| 9 | HEALTH EDUCATION | | | | | | | | | | | | | |
| 10 | CORRECTION EDUCATION | | | | | | | | | | | | | |
| 11 | DESEGREGATION ASSISTANCE | | | | | | | | | | | | | |
| 12 | BIOMEDICAL SCIENCES | | | | | | | | | | | | | |
| 13 | POPULATION EDUCATION | | | | | | | | | | | | | |
| 14 | GIFTED AND TALENTED CHILDREN | | | | | | | | | | | | | |
| 15 | EDUCATIONAL PROFICIENCY STANDARDS | | | | | | | | | | | | | |
| 16 | SAFE SCHOOLS PROGRAM | | | | | | | | | | | | | |
| 17 | ETHNIC HERITAGE PROGRAM | | | | | | | | | | | | | |
| 18 | CAREER EDUCATION | | | | | | | | | | | | | |
| 19 | FOLLOW THROUGH PROGRAMS | | | | | | | | | | | | | |
| 20 | COMMUNITY SCHOOLS | | | | | | | | | | | | | |
| D | COMBINATION OF ABOVE PROJECTS | | | | | | | | | | | | | |
| E | FUNDS GIVEN CO-OP PROJECTS [2] | | | | | | | | | | | | | |
| | COLUMN TOTALS | | | | | | | | | | | | | |

SUMS TO TOTAL BLOCK GRANT TO LEA OR CO-OP

SPECIFIES THE NUMBER OF PROJECT EVALUATION DATA SHEETS TO BE ATTACHED TO THIS FORM

[1] UNIQUE STUDENT COUNTS ONLY

[2] IF AN ENTRY IS MADE FOR CODE E, ANSWER THE QUESTION ON OPPOSITE SIDE OF SHEET.

SPECIFIC INSTRUCTIONS:

## Part I - Program Participation and Cost

Top of Form: Check type of block grant recipient and whether programs serve public or private nonprofit school students. Enter the name of the LEA or administering unit of a Co-op and the name of the Chapter 2 administrator completing the form.

Codes - The first column presents a code for each eligible program (A1, A2, A3, B1, etc.). This code will be used in Part II.

Eligible Programs - A complete listing of eligible programs by Chapter 2 subchapters is presented.

Column (A) - Fill in the number of individual projects for each eligible program. The sum of column (A) equals the number of Project Evaluation Data forms to be attached.

Column (B): Number of Schools - Fill in the total number of schools participating in all projects listed in column (A).

Columns (C) and (D): Program Cost - Divide the project costs into ECIA funds used (C) and non-ECIA funds used (D). All project costs (direct and indirect) not paid by ECIA funds should be reported. This permits the Department of Education to report how much project money was generated by block grant funds. Use only whole dollar amounts ($30,503 *not* $34,502.95).

Columns (E) and (F): Number of Students Served - Report the number of preschool and elementary students served by block grant projects in column (E). The number of secondary students served is entered in column (F). No students counted in columns (G), (H) and (I) should be included in the column (E) or (F) student counts. Students simultaneously served by more than one project should be included in *each* project count. Define the terms "elementary" and "secondary" as they are defined in the school district.

Columns (G), (H) and (I): Special Students Served - Enter the number of handicapped, disadvantaged, and gifted and talented students, respectively, directly served by each program. Special students simultaneously served by more than one project should be included in *each* project count. Definitions of handicapped, disadvantaged and gifted students are left to the local agency.

Column (J): Teacher Participation - Fill in numbers of teachers directly involved with block grant projects. Teachers involved simultaneously with more than one project should be included in *each* project count.

Column (K): Administrative Participation - Report the number of administrative staff directly involved with the project.

Column (L): Staff paid by ECIA funds - Report the *number* of project staff directly paid for their services with ECIA funds. Include all part-time employees, full-time employees, paid directors and contracted personnel. Do not include substitute teachers hired to allow school staff to attend to project activities.

Column (M): Community Participation - Report the number of parents and other community members actively involved in block grant projects. Include community group members, volunteers, advisory group members, etc.

Complete if an entry for Code D has been made on reverse side of form:

Project Name________________________________________
Co-op Name________________________________________
Name of Project Director________________________________

Project Name________________________________________
Co-op Name________________________________________
Name of Project Director________________________________

Project Name________________________________________
Co-op Name________________________________________
Name of Project Director________________________________

Continue on a separate sheet of paper if necessary and attach to this form.

**Commonwealth of Pennsylvania - Department of Education**
**DEBE-24C (5/82)**

# PART II: PROJECT EVALUATION DATA

Name of LEA or Co-op Administering Unit ________________________________

DIRECTIONS: A separate project evaluation form must be prepared for each project funded with monies from Chapter 2 of the Education Consolidation and Improvement Act. Complete and attach this form to the Program Participation and Cost form. Refer to the "Program Evaluation Guidelines and Instructions" for complete directions and example responses.

1. Name of Project ________________________________

   Submitted by: ☐ School District ☐ Intermediate Unit ☐ Co-op

2. LEA Chapter 2 Administrator ____________________ Telephone __________

3. Project Operated by: (circle number)

   1 School District
   2 Intermediate Unit
   3 Co-op
   4 Private Contractor
   5 Other (specify) ____________________

4. Program Code (see first column of Part I for codes). Circle only one program code per project.

   A1 A2 A3 → Answer only questions 1 through 7 and 10
   B1 → Answer only questions 1 through 4, 8 and 10
   B2 → Answer only questions 1 through 4, 9 and 10
   B3 B4 B5 B6 B7 → Answer only questions 1 through 6 and 10

   C1 C2 C3 C4 C5 C6 C7 C8 C9
   C10 C11 C12 C13 C14 C15 C16 → Answer only questions 1 through 6 and 10
   C17 C18 C19 C20

   D → Circle all applicable codes above; answer questions 1 through 6 and 10

5. Briefly state the major objectives and activities of this project:

| Objectives | Activities |
|---|---|
| | |

6. Briefly list major outcomes of this project, sources of evidence and indicators of success:

| Outcomes | Sources of Evidence | Indicators of Success |
|---|---|---|
| | | |

7. Summary of Basic Skills projects (Codes A1, A2 or A3):

| Name of School Building | Assessment Used | Location of Records |
|---|---|---|
| | | |

8. List general categories of instructional materials, school library resources and textbooks purchased with block grant funds (library books, records, films, etc.):

9. List general categories of instructional equipment purchased with block grant funds (microcomputers, projectors, video recorders, etc.):

10. Would the director of this project volunteer to participate in the statewide evaluation of the block grant program by agreeing to:

_____ a telephone interview?
_____ submit additional project data?
_____ an on-site visit?